DOCUMENT RESUME

ED 297 822 JC 880 372

TITLE Community College Laws of North Carolina, 1987 Edition.
INSTITUTION North Carolina State Dept. of Community Colleges, Raleigh.
PUB DATE Mar 88
NOTE 70p.
PUB TYPE Legal/Legislative/Regulatory Materials (090)

EDRS PRICE MF01/PC03 Plus Postage.
DESCRIPTORS College Administration; *Community Colleges; Educational Finance; *Educational Legislation; *Financial Support; Government Role; Proprietary Schools; *State Legislation; Tuition; Two Year Colleges
IDENTIFIERS *North Carolina

ABSTRACT

This publication contains the laws governing the community college system of North Carolina (Chapter 115D of the General Statutes of North Carolina, and other relevant statutes in Chapters 115, 115B, and 116). Chapter 115D contains provisions applying to state administration, local administration, financial support, budgeting, accounting, and fiscal management, special provisions, the creation and administration of the North Carolina Vocational Textile School, nondiscrimination, access to information and public records, open meetings of the State Board of Community Colleges, and proprietary schools. Chapter 115B authorizes a tuition waiver for senior citizens. Chapter 115C-154 enumerates the duties of the State Board of Education with respect to vocational education, while chapter 115C-158 considers the division of federal funds for vocational education between secondary and postsecondary educational systems. Chapter 115C-338 presents provisions for the salaries of employees injured during "an episode of violence." Finally, article 14 of chapter 116 states general provisions related to tuition and fees in state institutions. (EJV)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED297822

COMMUNITY COLLEGE LAWS

OF

NORTH CAROLINA

1987 Edition

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

B. Fountain

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

X This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

Issued by

THE STATE BOARD OF COMMUNITY COLLEGES

March, 1988

JC 880 372

BEST COPY AVAILABLE

COPYRIGHT © 1981, 1986, 1988
BY
THE MICHIE COMPANY

All rights reserved.

BEST COPY AVAILABLE

Foreword

This publication contains the laws governing the community college system (Chapter 115D of the General Statutes of North Carolina). Other relevant statutes affecting the community college system, as set forth in Chapters 115, 115B and 116, also have been included.

This publication is not intended to be a comprehensive guide to all laws pertaining to education. However, it is our intention to provide here those laws most often referred to by persons concerned with the community college system. Any questions, advice or interpretations concerning the community college laws should be directed to Clay Tee Hines, Office of Legal Services.

Robert W. Scott
President
March, 1988

North Carolina Department of Community Colleges
200 W. Jones Street
Raleigh, NC 27603-1337

Telephone: (919) 733-7051

Table of Contents

	Page
Community Colleges, §§ 115D-1 to 115D-97	7
General Provisions for State Administration, §§ 115D-1 to 115D-11	9
Local Administration, §§ 115D-12 to 115D-30	20
Financial Support, §§ 115D-31 to 115D-44	29
Budgeting, Accounting, and Fiscal Management, §§ 115D-45 to 115D-58.17	36
Special Provisions, §§ 115D-59 to 115D-67	45
Textile Training School, §§ 115D-68 to 115D-76	47
Miscellaneous Provisions, §§ 115D-77 to 115D-86	48
Proprietary Schools, §§ 115D-87 to 115D-97	49
Tuition Waiver for Senior Citizens, §§ 115B-1 to 115B-6	60
Elementary and Secondary Education, Chapter 115C	62
Vocational Education: Duties of the State Board of Education; Federal Funds Division, §§ 115C-154, 115C-158	62
Employment Benefits: Salaries for Employees Injured During an Episode of Violence, § 115C-338	63
Higher Education, Chapter 116	65
Provisions for Determining Resident Status for Tuition Purposes, § 116-143.1	65
Tuition of Personnel in the Armed Services, § 116-143.3	68
Higher Tuition to Be Charged Nonresidents, § 116-144	69
Minors Authorized to Borrow for Higher Education; Interest; Requirements of Loans, § 116-174.1	70
Grounds for Revocation of Scholarships, § 116-174.2	71

Community College Laws

Chapter 115D.
Community Colleges.

Article 1.

General Provisions for State Administration.

Sec.
115D-1. Statement of purpose.
115D-2. Definitions.
115D-2.1. State Board of Community Colleges.
115D-3. Department of Community Colleges; staff.
115D-4. Establishment of institutions; capital improvements.
115D-4.1. College transfer program approval.
115D-5. Administration of institutions by State Board of Community Colleges; personnel exempt from State Personnel Act; extension courses; tuition waiver; in-plant training; contracting, etc., for establishment and operation of extension units of the community college system; use of existing public school facilities.
115D-6. Withdrawal of State support.
115D-7. Establishment of private, nonprofit corporations.
115D-8 to 115D-11. [Reserved.]

Article 2.

Local Administration.

115D-12. Each institution to have board of trustees; selection of trustees.
115D-13. Terms of office of trustees.
115D-14. Board of trustees a body corporate; corporate name and powers; title to property.
115D-15. Sale, exchange or lease of property.
115D-16. Elective officials serving as trustees.
115D-17. Compensation of trustees.
115D-18. Organization of boards; meetings.
115D-19. Removal of trustees.
115D-20. Powers and duties of trustees.
115D-21. Traffic regulations; fines and penalties.
115D-22. State Retirement System for Teachers and State Employees; social security.
115D-23. Workers' Compensation Act applicable to institutional employees.
115D-24. Waiver of governmental immunity from liability for negligence of agents and employees of institutions; liability insurance.
115D-25. Purchase of annuity or retirement income contracts for employees.
115D-26. Conflict of interest.
115D-27 to 115D-30. [Reserved.]

Article 3.

Financial Support.

115D-31. State financial support of institutions.
115D-31.1. Liability insurance.
115D-32. Local financial support of institutions.
115D-33. Providing local public funds for institutions established under this Chapter; elections.
115D-34. Providing local public funds for institutions previously established.
115D-35. Requests for elections to provide funds for institutions.
115D-36. Elections on question of the addition of a college transfer program at an institution and issuance of bonds therefor.
115D-37. Payment of expenses of special elections under Chapter.
115D-38. Authority to issue bonds and notes, to levy taxes and to appropriate nontax revenues.
115D-39. Student tuition and fees.
115D-40. Community College Scholarship Fund.
115D-41 to 115D-44. [Reserved.]

Article 4.

Budgeting, Accounting, and Fiscal Management.

Sec.

115D-45 to 115D-53. [Recodified.]

Article 4A.

Budgeting, Accounting, and Fiscal Management.

115D-54. Preparation and submission of institutional budget.
115D-55. Budget management.
115D-56. Final adoption of budget.
115D-57. Interim budget.
115D-58. Amendments to the budget; budget transfers.
115D-58.1. Federal contracts and grants.
115D-58.2. Allocation of revenue to the institution by the local tax-levying authority.
115D-58.3. Provision for disbursement of State money.
115D-58.4. Provisions for disbursement of local money.
115D-58.5. Accounting system.
115D-58.6. Investment of idle cash.
115D-58.7. Selection of depository; deposits to be secured.
115D-58.8. Facsimile signatures.
115D-58.9. Daily deposits.
115D-58.10. Surety bonds.
115D-58.11. Fire and casualty insurance on institutional buildings and contents.
115D-58.12. Liability insurance; tort actions against boards of trustees.
115D-58.13. Vending facilities.
115D-58.14 to 115D-58.17. [Reserved.]

Article 5.

Special Provisions.

115D-59. Multiple-county administrative areas.
115D-60. Special provisions for Central Piedmont Community College.
115D-61. Special provisions for Coastal Carolina Community College.
115D-62. Trustee Association Regions.
115D-63 to 115D-67. [Reserved.]

Article 6.

Textile Training School.

115D-68. Creation of board of trustees; members and terms of office; no compensation.
115D-69. Powers of board.
115D-70. Board vested with powers and authority of former boards.
115D-71. Persons eligible to attend institution; subjects taught.
115D-72 to 115D-76. [Reserved.]

Article 7.

Miscellaneous Provisions.

115D-77. Nondiscrimination policy.
115D-78. Access to information and public records.
115D-79. Open meetings.
115D-80. Administrative Procedure Act applies.
115D-81. Saving clauses.
115D-82 to 115D-86. [Reserved.]

Article 8.

Proprietary Schools.

115D-87. Definitions.
115D-88. Exemptions.
115D-89. State Board of Community Colleges to administer Article; issuance of diplomas by schools; investigation and inspection; regulations and standards.
115D-90. License required; application for license; school bulletins; requirements for issuance of license; license restricted to courses indicated; supplementary applications.
115D-91. Duration and renewal of licenses; notice of change of ownership, administration, etc.; license not transferable.
115D-92. Commercial Education Fund established; refund of fees.
115D-93. Suspension, revocation or refusal of license; notice and hearing; judicial review; grounds.
115D-94. [Repealed.]
115D-95. Execution of bond required; filing and recording; actions upon bond.
115D-96. Operating school without license or bond made misdemeanor.
115D-97. Contracts with unlicensed schools and evidences of indebtedness made null and void.

ARTICLE 1.

General Provisions for State Administration.

§ 115D-1. Statement of purpose.

The purposes of this Chapter are to provide for the establishment, organization, and administration of a system of educational institutions throughout the State offering courses of instruction in one or more of the general areas of two-year college parallel, technical, vocational, and adult education programs, to serve as a legislative charter for such institutions, and to authorize the levying of local taxes and the issuing of local bonds for the support thereof. The major purpose of each and every institution operating under the provisions of this Chapter shall be and shall continue to be the offering of vocational and technical education and training, and of basic, high school level, academic education needed in order to profit from vocational and technical education, for students who are high school graduates or who are beyond the compulsory age limit of the public school system and who have left the public schools, provided, juveniles of any age committed to the Division of Youth Services of the Department of Human Resources by a court of competent jurisdiction may, if approved by the director of the training school to which they are assigned, take courses offered by institutions of the system if they are otherwise qualified for admission. (1963, c. 448, s. 23; 1969, c. 562, s. 1; 1979, c. 462, s. 2; 1985, c. 479, s. 68.)

Editor's Note. — This Chapter was enacted by Session Laws 1979, c. 462, which also repealed former Chapter 115A. Where appropriate, the historical citations to the sections in the former Chapter have been added to corresponding sections in this Chapter.

Session Laws 1987, c. 564, s. 6 changed the heading of this Chapter from "Community Colleges and Technical Institutes" to "Community Colleges."

OPINIONS OF ATTORNEY GENERAL

Programs of community colleges must be undertaken for educational purposes; business and service ventures, not for educational purposes, are improper. See opinion of Attorney General to Mr. John M. Jenkins, Director, N.C. Vocational Textiles School, 41 N.C.A.G. 790 (1972), rendered under former Chapter 115A.

§ 115D-2. Definitions.

As used in this Chapter:

(1) The "administrative area" of an institution comprises the county or counties directly responsible for the local financial support and local administration of such institution as provided in this Chapter.

(2) The term "community college" is defined as an educational institution operating under the provisions of this Chapter and dedicated primarily to the educational needs of the service area which it serves, and may offer

a. The freshmen and sophomore courses of a college of arts and sciences, authorized by G.S. 115D-4.1;

b. Organized credit curricula for the training of technicians; curricular courses may carry transfer credit to a senior college or university where the course is comparable in content and quality and is appropriate to a chosen course of study;

c. Vocational, trade, and technical specialty courses and programs, and

d. Courses in general adult education.

Local boards of trustees, with concurrence of the respective county commissioners, may, before January 1, 1988, adopt names of their respective institutions that include the words "Community College".

(3) The term "institution" refers to any institution established pursuant to this Chapter except for the North Carolina Vocational Textile School.

(4) The term "regional institution" means an institution whose service area as assigned by the State Board of Community Colleges includes three or more counties; provided, however, any institution receiving funds as a regional institution on May 1, 1987, shall continue to receive funds on that basis.

(5) The term "State Board" refers to the State Board of Community Colleges.

(6) The "tax-levying authority" of an institution is the board of commissioners of the county or all of the boards of commissioners of the counties, jointly, which constitute the administrative area of the institution.

(7) Repealed by Session Laws 1987, c. 564, s. 1, effective July 6, 1987.

(8) "Vending facilities" has the same meaning as it does in G.S. 143-12.1. (1963, c. 448, s. 23; 1969, c. 562, s. 2; 1973, c. 590, s. 1; 1979, c. 462, s. 2; c. 553; c. 896, s. 1; 1979, 2nd Sess., c. 1130, s. 1; 1983, c. 761, s. 104; 1983 (Reg. Sess., 1984), c. 1034, s. 169; 1987, c. 564, s. 1.)

Effect of Amendments. — The 1987 amendment, effective July 6, 1987, rewrote subdivisions (2), (3) and (4), and deleted former subdivision (7), defining the term "technical institute."

§ 115D-2.1. State Board of Community Colleges.

(a) The State Board of Community Colleges is established.

(b) The State Board of Community Colleges shall consist of 20 members, as follows:

(1) The Lieutenant Governor (or a person designated by the Lieutenant Governor) shall be a member ex officio.

(2) The Treasurer of North Carolina shall be a member ex officio.

(3) The Governor shall appoint to the State Board four members from the State at large and one member from each of the six Trustee Association Regions defined in G.S. 115D-63 [G.S. 115D-62]. The initial appointments by the Governor shall be made effective July 1, 1980, or as soon as feasible thereafter. In order to establish regularly overlapping terms, the initial appointments by the Governor shall be made so that three expire June 30, 1981, three expire

June 30, 1983, and four expire June 30, 1985. Each subsequent regular appointment by the Governor shall be for a term of six years and until a successor is appointed and qualifies. Any vacancy occurring among his appointees before the expiration of term shall be filled by appointment of the Governor; the member so appointed shall meet the same residential qualification, if any, as the member whom he succeeds and shall serve for the remainder of the unexpired term of that member.

(4) The General Assembly shall elect eight members of the State Board from the State at large in the following manner:

a. In 1980, the Senate shall elect three members, one of whom shall serve a term expiring June 30, 1981, one of whom shall serve a term expiring June 30, 1983, and one of whom shall serve a term expiring June 30, 1985. In 1985, the Senate shall elect two members to serve terms expiring June 30, 1991. Each subsequent regular election by the Senate shall be for a term of six years and until a successor is elected and qualifies.

b. In 1980, the House of Representatives shall elect four members, one of whom shall serve a term expiring June 30, 1981, one of whom shall serve a term expiring June 30, 1983, and two of whom shall serve a term expiring June 30, 1985. In 1985, the House of Representatives shall elect two members, to serve terms expiring June 30, 1991. Each subsequent regular election by the House of Representatives shall be for a term of six years and until a successor is elected and qualifies.

c. Repealed by Session Laws 1985, c. 227, s. 5, effective May 23, 1985.

d. The initial elections by the two houses of the General Assembly shall be held on or before July 1, 1980.

e. Any vacancy occurring among the members elected by the two houses of the General Assembly before the expiration of term shall be filled when the General Assembly next convenes. The member then elected shall be elected by the same house that elected the member whom he succeeds, and shall serve for the remainder of the unexpired term of that member.

f. At each session of the General Assembly held in an odd-numbered year, the presiding officer of each house shall assign to either a standing or a special committee of that house the duty of receiving from the members of that house nominations of persons to be considered by that house for election to the State Board. The chairmen of the two committees shall jointly determine a common final date for receiving nominations from members of that house, and a common date for reporting to their respective houses their nominations for the State Board. Each committee shall screen the proposed candidates for nomination as to their qualifications, background, lack of statutory disabilities, and willingness and ability to serve if elected. Each Senator and each Representative may nominate only one

candidate. When the nominating process is closed, each committee shall list all candidates and shall separately vote "aye" or "no" on each candidate to determine whether that person shall be listed as a nominee of the committee. The verbal vote of a majority of those members of the committee present and voting shall constitute one nominee of the committee. An individual cannot be a candidate for nomination to more than one place. If a sufficient number of candidates are submitted to the committee of the House of Representatives then that committee shall nominate at least two persons for each place to be filled by the House of Representatives, otherwise that committee shall nominate at least one person for each place to be filled by the House of Representatives. The committee of the Senate shall nominate at least two persons for each place to be filled by the Senate. No person may simultaneously be a candidate for election by both houses, and if one is nominated in both houses, he shall determine by which house he shall be nominated and so advise the chairman of both committees. The two houses shall, by joint resolution, fix a common date and time for the election of members of the State Board. At the election session in each house, the committee shall report its list of nominees with the term of office indicated for each nominee. The ballot in the House of Representatives shall also include the names of all other persons nominated by a member of that house who are determined by the committee to be qualified for the offices, with the committee's list of nominees being clearly set out on the ballot. No additional nominations shall be received from the floor. Each house shall then proceed to an election of the State Board. In order to be chosen, a nominee shall receive the votes of a majority of all members present and voting.

When each house has chosen one person for each place to be filled on the State Board, the chairman of the committee shall make a motion for the simultaneous election of those persons by that house to the indicated positions and for the indicated terms. The vote shall then be called electronically. If a majority of those voting shall vote "aye," persons named in the motion shall be declared to have been elected. Each house may adopt rules consistent with this section with respect to the election by that house of members of the State Board.

(c) No person may be appointed or elected to more than two consecutive terms of six years on the State Board.

(d) No member of the General Assembly, no officer or employee of the State, and no officer or employee of an institution under the jurisdiction of the State Board, and no spouse of any of those persons, shall be eligible to serve on the State Board.

(e) The Governor shall convene the membership of the State Board on July 1, 1980, or as soon as feasible thereafter. The State Board at that meeting shall elect from its appointed or elected

membership a chairman and such other officers as it may deem necessary.

(f) At its first meeting after July 1, 1981, and every two years thereafter, the State Board shall elect from its appointed or elected membership a chairman and such other officers as it may deem necessary.

(g) The State Board of Community Colleges shall meet at stated times established by the State Board, but not less frequently than 10 times a year. Special meetings of the State Board may be set at any regular meeting or may be called by the chairman. A majority of the qualified members of the State Board shall constitute a quorum for the transaction of business.

(h) Whenever any vacancy shall occur in the appointed membership of the State Board, the chairman shall inform the appropriate appointing authority of the vacancy. (1979, c. 896, s. 2; 1979, 2nd Sess., c. 1130, s. 5; 1981, c. 47, s. 8; c. 474; 1983, c. 311; c. 479, ss. 1-3; 1985, c. 227, ss. 1-5; c. 428.)

Editor's Note. — Session Laws 1981, c. 47, which amended this section by inserting "(or a person designated by the Lieutenant Governor)" in subdivision (b)(1), provides, in s. 7: "When the Speaker, President of the Senate, or Lieutenant Governor has designated a person to serve in this place as permitted by this act, that person shall be compensated in accordance with G.S. 120-3.1 if a member of the General Assembly, in accordance with G.S. 138-6 if a State officer or employee, and in accordance with G.S. 138-5 in any other case, except that a member of the General Assembly so designated may not receive per diem if the Speaker, President of the Senate or Lieutenant Governor may not receive per diem."

§ 115D-3. Department of Community Colleges; staff.

The Department of Community Colleges shall be a principal administrative department of State government under the direction of the State Board of Community Colleges, and shall be separate from the free public school system of the State and the Department of Public Education. The State Board has authority to adopt and administer all policies, regulations, and standards which it deems necessary for the operation of the Department.

The State Board shall elect a President of the North Carolina System of Community Colleges who shall serve as chief administrative officer of the Department of Community Colleges. The compensation of this position shall be fixed by the State Board from funds provided by the General Assembly in the Current Operations Appropriations Act.

The President shall be assisted by such professional staff members as may be deemed necessary to carry out the provisions of this Chapter, who shall be elected by the State Board on nomination of the President. The compensation of the staff members elected by the Board shall be fixed by the State Board of Community Colleges, upon recommendation of the President of the Community College System, from funds provided in the Current Operations Appropriations Act. These staff members shall include such officers as may be deemed desirable by the President and State Board. Provision shall be made for persons of high competence and strong professional experience in such areas as academic affairs, public service programs, business and financial affairs, institutional studies and

long-range planning, student affairs, research, legal affairs, health affairs and institutional development, and for State and federal programs administered by the State Board. In addition, the President shall be assisted by such other employees as may be needed to carry out the provisions of this Chapter, who shall be subject to the provisions of Chapter 126 of the General Statutes. The staff complement shall be established by the State Board on recommendation of the President to insure that there are persons on the staff who have the professional competence and experience to carry out the duties assigned and to insure that there are persons on the staff who are familiar with the problems and capabilities of all of the principal types of institutions represented in the system. The State Board of Community Colleges shall have all other powers, duties, and responsibilities delegated to the State Board of Education affecting the Department of Community Colleges not otherwise stated in this Chapter. (1963, c. 448, s. 23; 1971, c. 1244, s. 14; 1975, c. 699, s. 5; 1979, c. 462, s. 2; c. 896, s. 3; 1979, 2nd Sess., c. 1130, ss. 1, 2; 1981, c. 859, s. 35.2; 1983, c. 479, s. 4; c. 717, s. 26; 1983 (Reg. Sess., 1984), c. 1034, s. 164; 1985 (Reg. Sess., 1986), c. 955, ss. 19, 20; 1987, c. 564, s. 2.)

Editor's Note. — Section 1 of Session Laws 1985 (Reg. Sess., 1986), c. 955 provides: "This act may be cited as the Separation of Powers Act of 1986."

Section 127 of Session Laws 1985 (Reg. Sess., 1986), c. 955 provides: "If any part of this act shall be declared invalid by any court, this shall not affect any other part of this act."

Effect of Amendments. — The 1985 (Reg. Sess., 1986) amendment, effective July 1, 1986, deleted "after consultation with the Advisory Budget Commission" at the end of the second sentence of the third paragraph and added the former last sentence of the last paragraph.

The 1987 amendment, effective July 6, 1987, substituted "has" for "shall have" and "deems" for "may deem" in the second sentence of the first paragraph; rewrote the second paragraph, which read "The State Board shall elect a State President of the Department of Community Colleges. He shall be the chief administrative officer of the Department. The compensation of this position shall be fixed by the State Board from funds provided by the General Assembly in the Current Operations Appropriations Act"; deleted "State" preceding "President" throughout the third paragraph; substituted "State Board of Community Colleges, upon recommendation of the President of the Community College System, from funds provided in the Current Operations Appropriations Act" for "Governor and State Board of Community Colleges" at the end of the second sentence of the third paragraph; and deleted a former final sentence of the third paragraph, which read "Prior to taking any action under this section where joint approval is required, the Governor and the State Board of Community Colleges may consult with the Advisory Budget Commission." The amendment also deleted "advisory counsel" at the end of the catchline to this section.

§ 115D-4. Establishment of institutions; capital improvements.

The establishment of all community colleges shall be subject to the approval of the General Assembly upon recommendation of the State Board of Community Colleges. In no case, however, shall favorable recommendation be made by the State Board for the establishment of an institution until it has been demonstrated to the satisfaction of the State Board that a genuine educational need exists within a proposed administrative area, that existing public and private post-high school institutions in the area will not meet the need, that adequate local financial support for the institution

will be provided, that public schools in the area will not be affected adversely by the local financial support required for the institution, and that funds sufficient to provide State financial support of the institution are available.

The expenditures of any State funds for any capital improvements of existing institutions shall be subject to the prior approval of the State Board of Community Colleges and the Governor, provided that the Governor may consult with the Advisory Budget Commission before giving approval. The expenditure of State funds at any institution herein authorized to be approved by the State Board shall be subject to the terms of the Executive Budget Act unless specifically otherwise provided in this Chapter. (1963, c. 448, s. 23; 1965, c. 1028; 1971, c. 1244, s. 14; 1977, c. 154, s. 1; 1979, c. 462, s. 2; c. 896, s. 4; 1979, 2nd Sess., c. 1130, s. 1; 1983, c. 717, ss. 27-27.2; 1985 (Reg. Sess., 1986), c. 955, s. 21; 1987, c. 564, s. 3.)

Editor's Note. — Section 1 of Session Laws 1985 (Reg. Sess., 1986), c. 955 provides: "This act may be cited as the Separation of Powers Act of 1986."

Section 127 of Session Laws 1985 (Reg. Sess., 1986), c. 955 provides: "If any part of this act shall be declared invalid by any court, this shall not affect any other part of this act."

Effect of Amendments. — The 1985 (Reg. Sess., 1986) amendment, effective July 1, 1986, substituted "may consult" for "shall consult" in the first sentence of the second paragraph.

The 1987 amendment, effective July 6, 1987, deleted "and technical institutes or the conversion of any such existing institution into a new type of institution" following "The establishment of all community colleges" at the beginning of the first paragraph.

CASE NOTES

Questions to Be Determined by State Courts. — Whether the plaintiff had any rights under former § 115A-4, whether the plaintiff was covered under that section and whether the plaintiff's school met the required education and occupational needs, was maintaining proper standards, and was in the administrative area were questions involving former § 115A-4, and had to be determined by State and not federal courts. Harrell v. Trustees of Beaufort County Technical Inst., 354 F. Supp. 50 (E.D.N.C. 1973).

§ 115D-4.1. College transfer program approval.

(a) Enrollment in the college transfer program of a community college that offered this program before July 1, 1987, shall not exceed its current percent of college transfer enrollment or fifteen percent (15%) of the institution's total budget full-time equivalent students or 132 full-time equivalent students, whichever is greater. The State Board of Community Colleges may, in its own discretion, make exception to this requirement where the inherent market demand of a community causes an institution to exceed the fifteen percent (15%), or its current enrollment percentage.

(b) The State Board of Community Colleges may approve the addition of the college transfer program to a community college. If addition of the college transfer program to an institution would require a substantial increase in funds, State Board approval shall be subject to appropriation of funds by the General Assembly for this purpose.

(c) Addition of the college transfer program shall not decrease an institution's ability to provide programs within its basic mission of

vocational and technical training and basic academic education. Enrollment in the college transfer program shall not exceed fifteen percent (15%) of an institution's total budget full-time equivalent students or 132 full-time equivalent students, whichever is greater, in each institution where the college transfer program is added after June 30, 1987; provided, however, the State Board of Community Colleges may, in is own discretion, make exceptions to this requirement where the inherent market demand of a community causes an institution to exceed the fifteen percent (15%).

(d) The State Board of Community Colleges shall develop appropriate criteria and standards to regulate addition of the college transfer program to institutions. The State Board is authorized to apply the criteria and standards for addition of the college transfer program adopted as a proposed rule as its April 9, 1987, meeting until modified through the rule-making process. (1987, c. 564, s. 4.)

Editor's Note. — Session Laws 1987, c. 564, s. 37 makes this section effective upon ratification. The act was ratified July 6, 1987.

§ 115D-5. Administration of institutions by State Board of Community Colleges; personnel exempt from State Personnel Act; extension courses; tuition waiver; in-plant training; contracting, etc., for establishment and operation of extension units of the community college system; use of existing public school facilities.

(a) The State Board of Community Colleges may adopt and execute such policies, regulations and standards concerning the establishment, administration, and operation of institutions as the State Board may deem necessary to insure the quality of educational programs, to promote the systematic meeting of educational needs of the State, and to provide for the equitable distribution of State and federal funds to the several institutions.

The State Board of Community Colleges shall establish standards and scales for salaries and allotments paid from funds administered by the State Board, and all employees of the institutions shall be exempt from the provisions of the State Personnel Act. The State Board shall have authority with respect to individual institutions: to approve sites, buildings, building plans, budgets; to approve the selection of the chief administrative officer; to establish and administer standards for professional personnel, curricula, admissions, and graduation; to regulate the awarding of degrees, diplomas, and certificates; to establish and regulate student tuition and fees and financial accounting procedures.

(b) In order to make instruction as accessible as possible to all citizens, the teaching of curricular courses and of noncurricular extension courses at convenient locations away from institution campuses as well as on campuses is authorized and shall be encouraged. A pro rata portion of the established regular tuition rate charged a full-time student shall be charged a part-time student taking any curriculum course. In lieu of any tuition charge, the State Board of Community Colleges shall establish a uniform registration fee, or a schedule of uniform registration fees, to be charged

students enrolling in extension courses for which instruction is financed primarily from State funds; provided, however, that the State Board of Community Colleges may provide by general and uniform regulations for waiver of tuition and registration fees for persons not enrolled in elementary or secondary schools taking courses leading to a high school diploma or equivalent certificate, for training courses for volunteer firemen, local fire department personnel, volunteer rescue and lifesaving department personnel, local rescue and lifesaving department personnel, local law-enforcement officers, patients in State alcoholic rehabilitation centers, all full-time custodial employees of the Department of Correction and employees of the Department's Division of Adult Probation and Parole required to be certified pursuant to Chapter 17C of the General Statutes and the rules of the Criminal Justice and Training Standards Commission, trainees enrolled in courses conducted under the New and Expanding Industry Program, clients of sheltered workshops, clients of adult developmental activity programs, students in Human Resources Development Programs, juveniles of any age committed to the Division of Youth Services of the Department of Human Resources by a court of competent jurisdiction, and prison inmates. Provided further, tuition shall be waived for senior citizens attending institutions operating pursuant to this Chapter as set forth in Chapter 115B of the General Statutes, Tuition Waiver for Senior Citizens.

(c) No course of instruction shall be offered by any community college at State expense or partial State expense to any captive or co-opted group of students, as defined by the State Board of Community Colleges, without prior approval of the State Board of Community Colleges. Approval by the State Board of Community Colleges shall be presumed to constitute approval of both the course and the group served by that institution. The State Board of Community Colleges may delegate to the President the power to make an initial approval, with final approval to be made by the State Board of Community Colleges. A course taught without such approval will not yield any full-time equivalent students, as defined by the State Board of Community Colleges.

(d) Community colleges shall assist in the preemployment and in-service training of employees in industry, business, agriculture, health occupation and governmental agencies. The State Board of Community Colleges shall make appropriate regulations including the establishment of maximum hours of instruction which may be offered at State expense in each in-plant training program. No instructor or other employee of a community college shall engage in the normal management, supervisory and operational functions of the establishment in which the instruction is offered during the hours in which the instructor or other employee is employed for instructional or educational purposes.

(e) The State Board of Community Colleges is authorized to enter into agreements with local boards of education, upon approval by the Governor, for the establishment and operation of extension units of the community college system, provided that the Governor may consult with the Advisory Budget Commission before giving approval. The State Board is further authorized to provide the financial support for matching capital outlay and for operating and equipping extension units as provided in this Chapter for other institutions, subject to available funds.

On petition of a board of education of the school administrative unit in which an extension unit is proposed to be established, the State Board of Community Colleges may approve the use by the proposed institution of existing public school facilities, if the State Board finds:

(1) That an adequate portion of these facilities can be devoted to the exclusive use of the institution, and

(2) That use of these facilities will be consistent with sound educational considerations.

(f) A community college may not offer a new program without the approval of the State Board of Community Colleges except that approval shall not be required if the tuition for the program will fully cover the cost of the program. If at any time tuition fails to fully cover the cost of a program that falls under the exception, the program shall be discontinued unless approved by the State Board of Community Colleges. If a proposed new program would serve more than one community college, the State Board of Community Colleges shall perform a feasibility study prior to acting on the proposal.

The State Board of Community Colleges shall report on an annual basis to the Governor, Lieutenant Governor, the Speaker of the House of Representatives, the Joint Legislative Commission on Governmental Operations, and the Advisory Budget Commission on all new programs it approved during the year. The report shall include the specific reasons for which each program was approved. (1963, c. 488, s. 23; 1967, c. 652; 1969, c. 1294; 1973, c. 768; 1975, c. 882; 1977, c. 1065; 1979, c. 462, s. 2; c. 896, ss. 5-7; 1979, 2nd Sess., c. 1130, s. 1; 1981, c. 609; c. 859, s. 35.1; c. 897; c. 1127, s. 43; 1983, c. 717, s. 28; 1983 (Reg. Sess., 1984), c. 1034, ss. 45, 46; 1985, c. 479, s. 67; 1985 (Reg. Sess., 1986), c. 955, s. 22; 1987, c. 282, s. 34; c. 564, ss. 8-10, 12, 33; c. 763, s. 1.)

Editor's Note. — Session Laws 1985, c. 479, s. 57 provides:

"Effective July 1, 1986, the formula for distribution of funds for curriculum and extension programs by the State Board of Community Colleges for the operating budgets of the institutions of the Community College System may set no minimum number of full-time equivalent students for which funding shall be granted and may in no case protect the level of funding of an institution that experienced a decline in full-time equivalent students."

Section 1 of Session Laws 1985 (Reg. Sess., 1986), c. 955 provides: "This act may be cited as the Separation of Powers Act of 1986."

Section 127 of Session Laws 1985 (Reg. Sess., 1986), c. 955 provides: "If any part of this act shall be declared invalid by any court, this shall not affect any other part of this act."

Session Laws 1987, c. 763, which inserted a reference to employees of the Division of Adult Probation and Parole in the third sentence of subsection (b), provides in s. 2 that the act "shall become effective September 1, 1987; provided, however, this act shall become effective only if the General Assembly transfers in the Current Operations Appropriations Act funds in the amount of thirteen thousand three hundred thirty-five dollars ($13,335) for each year of the 1987-89 fiscal biennium from the budget of the Department of Correction to the budget of the Department of Community Colleges to carry out the provisions of this act."

Effect of Amendments. — Session Laws 1985 (Reg. Sess., 1986). c. 955, s. 22, effective July 1, 1986, directed that the words "may consult" be substituted for "shall consult" in the last paragraph of subsection (e) as it read prior to its amendment in 1987. The words "shall consult" did not occur in the last paragraph of subsection (e), but could be found in the first sentence of the first paragraph of that subsection.

Session Laws 1987, c. 282, s. 34, effective June 4, 1987, rewrote Session Laws 1985 (Reg. Sess., 1986), c. 955, s. 22, to

read: "The first sentence of the first paragraph of G.S. 155D-5(e) is amended by deleting 'shall consult' and substituting 'may consult'." The amendment has been effectuated in the first sentence of the first paragraph of subsection (e).

Session Laws 1987, c. 564, ss. 8, 12 and 33, effective July 6, 1987, deleted "and technical institutes" following "Community colleges" at the beginning of subsection (d), substituted "community college" for "community college or technical institute" in subsections (c), (d) and (f), and substituted "President" for "State President" in subsection (c).

Session Laws 1987, c. 763, s. 1, effective September 1, 1987, inserted "and employees of the Department's Division of Adult Probation and Parole required to be certified pursuant to Chapter 17C of the General Statutes and the rules of the Criminal Justice and Training Standards Commission" near the end of the third sentence of subsection (b). For contingency applicable to this amendment, see the Editor's Note above.

§ 115D-6. Withdrawal of State support.

The State Board of Community Colleges may withdraw or withhold State financial and administrative support of any institutions subject to the provisions of this Chapter in the event that:

(1) The required local financial support of an institution is not provided;
(2) Sufficient State funds are not available;
(3) The officials of an institution refuse or are unable to maintain prescribed standards of administration or instruction; or
(4) Local educational needs for such an institution cease to exist. (1963, c. 448, s. 23; 1979, c. 462, s. 2; c. 896, s. 8; 1979, 2nd Sess., c. 1130, s. 1.)

§ 115D-7. Establishment of private, nonprofit corporations.

The State Board of Community Colleges shall encourage the establishment of private, nonprofit corporations to support the community college system. The President of the Department of Community Colleges with the approval of the State Board of Community Colleges, may assign employees to assist with the establishment and operation of such nonprofit corporation and may make available to the corporation office space, equipment, supplies and other related resources; provided, the sole purpose of the corporation is to support the community college system.

The board of directors of each private, nonprofit corporation shall secure and pay for the services of the State Auditor's Office or employ a certified public accountant to conduct an audit of the financial accounts of the corporation. The board of directors shall transmit to the State Board of Community Colleges a copy of the annual financial audit report of the private nonprofit corporation. (1987, c. 383, s. 1.)

Editor's Note. — Session Laws 1987, c. 383, s. 3 makes this section effective upon ratification. The act was ratified June 16, 1987.

§§ 115D-8 to 115D-11: Reserved for future codification purposes.

ARTICLE 2.

Local Administration.

§ 115D-12. Each institution to have board of trustees; selection of trustees.

(a) Each community college established or operated pursuant to this Chapter shall be governed by a board of trustees consisting of 13 members, or of additional members if selected according to the special procedure prescribed by the third paragraph of this subsection, who shall be selected by the following agencies.

Group One — four trustees, elected by the board of education of the public school administrative unit located in the administrative area of the institution. If there are two or more public school administrative units, whether city or county units, or both, located within the administrative area, the trustees shall be elected jointly by all of the boards of education of those units, each board having one vote in the election of each trustee, except as provided in G.S. 115D-59.

Group Two — four trustees, elected by the board of commissioners of the county in which the institution is located. Provided, however, if the administrative area of the institution is composed of two or more counties, the trustees shall be elected jointly by the boards of commissioners of all those counties, each board having one vote in the election of each trustee. Provided, also, the county commissioners of the county in which the community college has established a satellite campus may elect an additional two members if the board of trustees of the community college agrees. Should the boards of education or the boards of commissioners involved be unable to agree on one or more trustees the senior resident superior court judge in the judicial district where the institution is located shall fill the position or positions by appointment.

Group Three — four trustees, appointed by the Governor.

Group Four — the president of the student government or the chairman of the executive board of the student body of each community college established pursuant to G.S. 115D shall be an ex officio nonvoting member of the board of trustees of each said institution.

(b) All trustees shall be residents of the administrative area of the institution for which they are selected or of counties contiguous thereto with the exception of members provided for in G.S. 115D-12(a), Group Four.

(c) Vacancies occurring in any group for whatever reason shall be filled for the remainder of the unexpired term by the agency or agencies authorized to select trustees of that group and in the manner in which regular selections are made. Should the selection of a trustee not be made by the agency or agencies having the authority to do so within 60 days after the date on which a vacancy occurs, whether by creation or expiration of a term or for any other reason, the Governor shall fill the vacancy by appointment for the remainder of the unexpired term. (1963, c. 448, s. 23; 1977, c. 823, ss. 1-4; 1979, c. 462, s. 2; 1985, c. 757, s. 147; 1987, c. 564, ss. 10, 12.)

Effect of Amendments. — The 1987 amendment, effective July 6, 1987, substituted reference to community colleges for references to community colleges and technical institutes in subsection (a).

OPINIONS OF ATTORNEY GENERAL

The board of trustees of a technical college may not employ one of its members as a part-time instructor. See opinion of Attorney General to Mr. Garrett Dixon Baily, Attorney for Mayland Technical College, 55 N.C.A.G. 28 (1985).

Under § 115D-19, board of trustees of a community college has the power to remove one of its members. See opinion of Attorney General to Mr. N. Jerry Owens, Jr., Secretary, Board of Trustees of Rockingham Community College, 55 N.C.A.G. 52 (1985).

§ 115D-13. Terms of office of trustees.

(a) As the terms of members serving on boards of trustees on June 30, 1985, expire, except for the ex officio member, their successors shall be appointed for four-year terms.

(b) All terms shall commence on July 1 of odd-numbered years. (1963, c. 448, s. 23; 1977, c. 823, s. 5; 1979, c. 462, s. 2; 1985, c. 58.)

§ 115D-14. Board of trustees a body corporate; corporate name and powers; title to property.

The board of trustees of each institution shall be a body corporate with powers to enable it to acquire, hold, and transfer real and personal property, to enter into contracts, to institute and defend legal actions and suits, and to exercise such other rights and privileges as may be necessary for the management and administration of the institution in accordance with the provisions and purposes of this Chapter. The official title of each board shall be "The Trustees of ....." (filling in the name of the institution) and such title shall be the official corporate name of the institution.

The several boards of trustees shall hold title to all real and personal property donated to their respective institutions by private persons or purchased with funds provided by the tax-levying authorities of their respective institutions. Title to equipment furnished by the State shall remain in the State Board of Community Colleges. In the event that an institution shall cease to operate, title to all real and personal property donated to the institution or purchased with funds provided by the tax-levying authorities, except as provided for in G.S. 115D-14, shall vest in the county in which the institution is located, unless the terms of the deed of gift in the case of donated property provides otherwise, or unless in the case of two or more counties forming a joint institution the contract provided for in G.S. 115D-71 provides otherwise. (1963, c. 448, s. 23; 1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1.)

§ 115D-15. Sale, exchange or lease of property.

When in the opinion of the board of trustees of any institution organized under the provisions of this Chapter, the use of any property, real or personal, owned or held by said board of trustees is unnecessary or undesirable for the purposes of said institution, the board of trustees, subject to prior approval of the State Board of Community Colleges, may sell, exchange, or lease such property in the same manner as is provided by law for the sale, exchange, or lease of school property by county or city boards of education or in accordance with provisions of G.S. 160A-274. The proceeds of any such sale or lease shall be used for capital outlay purposes. (1969, c. 338; 1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1.)

§ 115D-16. Elective officials serving as trustees.

The office of trustee of any institution established or operated pursuant to this Chapter is hereby declared to be an office which may be held by the holder of any elective office, as defined in G.S. 128-1.1(d), in addition to and concurrently with those offices permitted by G.S. 128-1.1. Appointments made on or before July 1, 1985, by boards of county commissioners or local boards of education of their own members as trustees are hereby validated, ratified, and confirmed. (1979, c. 462, s. 2; 1985, c. 773.)

§ 115D-17. Compensation of trustees.

Trustees shall receive no compensation for their services but shall receive reimbursement, according to regulations adopted by the State Board of Community Colleges, for cost of travel, meals, and lodging while performing their official duties. The reimbursement of the trustees from State funds shall not exceed the amounts permitted in G.S. 138-5. (1963, c. 448, s. 23; 1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1.)

§ 115D-18. Organization of boards; meetings.

At the first meeting after its selection, each board of trustees shall elect from its membership a chairman, who shall preside at all board meetings, and a vice-chairman, who shall preside in the absence of the chairman. The trustees shall also elect a secretary, who may be a trustee, to keep the minutes of all board meetings. All three officers of the board shall be elected for a period of one year but shall be eligible for reelection by the board.

Each board of trustees shall meet as often as may be necessary for the conduct of the business of the institution but shall meet at least once every three months. Meetings may be called by the chairman of the board or by the chief administrative officer of the institution. (1963, c. 448, s. 23; 1979, c. 462, s. 2.)

§ 115D-19. Removal of trustees.

Should the State Board of Community Colleges have sufficient evidence that any member of the board of trustees of an institution is not capable of discharging, or is not discharging, the duties of his office as required by law or lawful regulation, or is guilty of immoral or disreputable conduct, the State Board shall notify the

chairman of such board of trustees, unless the chairman is the offending member, in which case the other members of the board shall be notified. Upon receipt of such notice there shall be a meeting of the board of trustees for the purpose of investigating the charges, at that meeting a representative of the State Board of Community Colleges may appear to present evidence of the charges. The allegedly offending member shall be given proper and adequate notice of the meeting and the findings of the other members of the board shall be recorded, along with the action taken, in the minutes of the board of trustees. If the charges are, by an affirmative vote of two-thirds of the members of the board, found to be true, the board of trustees shall declare the office of the offending member to be vacant.

Nothing in this section shall be construed to limit the authority of a board of trustees to hold a hearing as provided herein upon evidence known or presented to it. (1963, c. 448, s. 23; 1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1.)

OPINIONS OF ATTORNEY GENERAL

Under this section, board of trustees of a community college has the power to remove one of its members. See opinion of Attorney General to Mr. N. Jerry Owens, Jr., Secretary, Board of Trustees of Rockingham Community College, 55 N.C.A.G. 52 (1985).

Repeated Absences as Ground for Removal. — Repeated absences from meetings, at some point, constitutes neglect of duty sufficient to permit a board of trustees to remove a board member for failure to discharge his duties. See opinion of Attorney General to Mr. N. Jerry Owens, Jr., Secretary, Board of Trustees of Rockingham Community College, 55 N.C.A.G. 52 (1985).

§ 115D-20. Powers and duties of trustees.

The trustees of each institution shall constitute the local administrative board of such institution, with such powers and duties as are provided in this Chapter and as are delegated to it by the State Board of Community Colleges. The powers and duties of trustees shall include the following:

(1) To elect a president or chief administrative officer of the institution for such term and under such conditions as the trustees may fix, such election to be subject to the approval of the State Board of Community Colleges.

(2) To elect or employ all other personnel of the institution upon nomination by the president or chief administrative officer, subject to standards established by the State Board of Community Colleges. Trustees may delegate the authority of employing such other personnel to its president or chief administrative officer.

(3) To purchase any land, easement, or right-of-way which shall be necessary for the proper operation of the institution, upon approval of the State Board of Community Colleges, if necessary, to acquire land by condemnation in the same manner and under the same procedures as provided in General Statutes Chapter 40A. For the purpose of condemnation, the determination by the trustees as to the location and amount of land to be taken and the necessity therefor shall be conclusive.

(4) To apply the standards and requirements for admission and graduation of students and other standards established by the State Board of Community Colleges. Provided, notwithstanding any law or administrative rule to the contrary, local administrative boards and local school boards may establish cooperative programs in the areas they serve to provide for college courses to be offered to qualified high school students with college credits to be awarded to those high school students upon the successful completion of the courses. Provided, further, that during the summer quarter, persons less than 16 years old may be permitted to take noncredit courses on a self-supporting basis, subject to rules of the State Board of Community Colleges.

(5) To receive and accept donations, gifts, bequests, and the like from private donors and to apply them or invest any of them and apply the proceeds for purposes and upon the terms which the donor may prescribe and which are consistent with the provisions of this Chapter and the regulations of the State Board of Community Colleges.

(6) To provide all or part of the instructional services for the institution by contracting with other public or private organizations or institutions in accordance with regulations and standards adopted by the State Board of Community Colleges.

(7) To perform such other acts and do such other things as may be necessary or proper for the exercise of the foregoing specific powers, including the adoption and enforcement of all reasonable rules, regulations, and bylaws for the government and operation of the institution under this Chapter and for the discipline of students.

(8) If a board of trustees of an institution provides access to its buildings and campus and the student information directory to persons or groups which make students aware of occupational or educational options, the board of trustees shall provide access on the same basis to official recruiting representatives of the military forces of the State and of the United States for the purpose of informing students of educational and career opportunities available in the military.

(9) To encourage the establishment of private, nonprofit corporations to support the institution. The president, with approval of the board of trustees, may assign employees to assist with the establishment and operation of such corporation and may make available to the corporation office space, equipment, supplies and other related resources; provided, the sole purpose of the corporation is to support the institution. The board of directors of each private, nonprofit corporation shall secure and pay for the services of the State Auditor's Office or employ a certified public accountant to conduct an annual audit of the financial accounts of the corporation. The board of directors shall transmit to the board of trustees a copy of the annual financial audit report of the private nonprofit corporation. (1963, c. 448, s. 23; 1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1; 1981, c. 901, s. 2; 1983, c. 378, s. 1; c. 596, s. 1; 1985, c. 191; 1987, c. 383, s. 2.)

Editor's Note. — Session Laws 1983, c. 596, which added the first proviso in subdivision (4), provides in s. 2 that any local cooperative program developed under the act is subject to approval by the State Board of Community Colleges.

Effect of Amendments. — The 1987 amendment, effective June 16, 1987, added subdivision (9).

§ 115D-21. Traffic regulations; fines and penalties.

(a) All of the provisions of Chapter 20 of the General Statutes relating to the use of highways of the State of North Carolina and the operation of motor vehicles thereon shall apply to the streets, roads, alleys and driveways on the campuses of all institutions in the North Carolina Community College System. Any person violating any of the provisions of Chapter 20 of the General Statutes in or on the streets, roads, alleys and driveways on the campuses of institutions in the North Carolina Community College System shall, upon conviction thereof, be punished as prescribed in this section and as provided by Chapter 20 of the General Statutes relating to motor vehicles. Nothing contained in this section shall be construed as in any way interfering with the ownership and control of the streets, roads, alleys and driveways on the campuses of institutions in the system as is now vested by law in the trustees of each individual institution in the North Carolina Community College System.

(b) The trustees are authorized and empowered to make additional rules and regulations and to adopt additional ordinances with respect to the use of the streets, roads, alleys and driveways and to establish parking areas on or off the campuses not inconsistent with the provisions of Chapter 20 of the General Statutes of North Carolina. Upon investigation, the trustees may determine and fix speed limits on streets, roads, alleys, and driveways subject to such rules, regulations, and ordinances, lower than those provided in G.S. 20-141. The trustees may make reasonable provisions for the towing or removal of unattended vehicles found to be in violation of rules, regulations and ordinances. All rules, regulations and ordinances adopted pursuant to the authority of this section shall be recorded in the proceedings of the trustees; shall be printed; and copies of such rules, regulations and ordinances shall be filed in the office of the Secretary of State of North Carolina. Violation of any such rules, regulations, or ordinances, is an infraction punishable by a penalty of not more than one hundred dollars ($100.00).

Regardless of whether an institution does its own removal and disposal of motor vehicles or contracts with another person to do so, the institution shall provide a hearing procedure for the owner. For purposes of this subsection, the definitions in G.S. 20-219.9 apply.

(1) If the institution operates in such a way that the person who tows the vehicle is responsible for collecting towing fees, all provisions of Article 7A, Chapter 20, apply.

(2) If the institution operates in such a way that it is responsible for collecting towing fees, it shall:

a. Provide by contract or ordinance for a schedule of reasonable towing fees,

b. Provide a procedure for a prompt fair hearing to contest the towing,

c. Provide for an appeal to district court from that hearing,

d. Authorize release of the vehicle at any time after towing by the posting of a bond or paying of the fees due, and

e. If the institution chooses to enforce its authority by sale of the vehicle, provide a sale procedure similar to that provided in G.S. 44A-4, 44A-5, and 44A-6, except that no hearing in addition to the probable cause hearing is required. If no one purchases the vehicle at the sale and if the value of the vehicle is less than the amount of the lien, the institution may destroy it.

(c) The trustees may by rules, regulations, or ordinances provide for a system of registration of all motor vehicles where the owner or operator does park on the campus or keeps said vehicle on the campus. The trustees shall cause to be posted at appropriate places on campus notice to the public of applicable parking and traffic rules, regulations, and ordinances governing the campus over which it has jurisdiction. The trustees may by rules, regulations, or ordinances establish or cause to have established a system of citations that may be issued to owners or operators of motor vehicles who violate established rules, regulations, or ordinances. The trustees shall provide for the administration of said system of citations; establish or cause to be established a system of fines to be levied for the violation of established rules, regulations and ordinances; and enforce or cause to be enforced the collection of said fines. The fine for each offense shall not exceed five dollars ($5.00), which funds shall be retained in the institution and expended in the discretion of the trustees. The trustees shall be empowered to exercise the right to prohibit repeated violators of such rules, regulations, or ordinances from parking on the campus. (1971, c. 795, ss. 1-3; 1979, c. 462, s. 2; 1983, c. 420, s. 4; 1985, c. 764, s. 38.)

Cross References. — As to hearing procedure for motor vehicles removed, towed or stored pursuant to the provisions of this Chapter, see § 20-161.2.

Editor's Note. — Session Laws 1985, c. 764, s. 40 provides that offenses committed before the effective date of the act (July 1, 1986) shall be governed by the law in effect at the time of the offense.

Effect of Amendments. — The 1985 amendment, effective July 1, 1986, and applicable to offenses committed on or after that date, rewrote the fifth sentence of subsection (b), which read "Any person violating any such rules, regulations, or ordinances shall, upon conviction thereof in a legally constituted court of the State of North Carolina, be guilty of a misdemeanor, and shall be punishable by a fine not to exceed fifty dollars ($50.00) or imprisonment for a period of time not to exceed 30 days or, in the discretion of the court, both such fine and imprisonment."

§ 115D-22. State Retirement System for Teachers and State Employees; social security.

Solely for the purpose of applying the provisions of Chapter 135 of the General Statutes of North Carolina, "Retirement System for Teachers and State Employees, Social Security," the institutions of this Chapter are included within the definition of the term "public school," and the institutional employees are included within the definition of the term "teacher," as these terms are defined in G.S. 135-1. (1963, c. 448, s. 23; 1979, c. 462, s. 2.)

§ 115D-23. Workers' Compensation Act applicable to institutional employees.

The provisions of Chapter 97 of the General Statutes of North Carolina, the Workers' Compensation Act, shall apply to all institutional employees. The State Board of Community Colleges shall make the necessary arrangements to carry out those provisions of Chapter 97 which are applicable to employees whose wages are paid in whole or in part from State funds. The State shall be liable for compensation, based upon the average weekly wage as defined in the act, of an employee regardless of the portion of his wage paid from other than State funds.

The board of trustees of each institution shall be liable for workers' compensation for employees whose salaries or wages are paid by the board entirely from local public or special funds. Each board of trustees is authorized to purchase insurance to cover workers' compensation liability and to include the cost of insurance in the annual budget of the institution.

The provisions of this section shall not apply to any person, firm or corporation making voluntary contributions to institutions for any purpose, and such a person, firm, or corporation shall not be liable for the payment of any sum of money under the provisions of this section. (1963, c. 448, s. 23; 1979, c. 462, s. 2; c. 714, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1.)

§ 115D-24. Waiver of governmental immunity from liability for negligence of agents and employees of institutions; liability insurance.

The board of trustees of any institution, by obtaining liability insurance as provided in G.S. 115D-53, is authorized to waive its governmental immunity from liability for the death or injury of person or for property damage caused by the negligence or tort of any agent or employee of the board of trustees when the agent or employee is acting within the scope of his authority or the course of his employment. All automobiles, buses, trucks, or other motor vehicles intended primarily for use on the public roads and highways which are the property of a board of trustees shall be insured at all times with liability insurance as provided in G.S. 115D-53. Governmental immunity shall be deemed to have been waived by the act of obtaining liability insurance, but only to the extent that the board is indemnified for the negligence or torts of its agents and employees and only as to claims arising after the procurement of liability insurance and while such insurance is in force. (1963, c. 448, s. 23; 1979, c. 462, s. 2.)

Editor's Note. — The Article including § 115D-53, referred to in this section, was rewritten by Session Laws 1981, c. 157, and has been recodified. The subject matter of § 115D-53 is now covered by § 115D-58.12.

Legal Periodicals. — For article, "Statutory Waiver of Municipal Immunity Upon Purchase of Liability Insurance in North Carolina and the Municipal Liability Crisis," see 4 Campbell L. Rev. 41 (1981).

§ 115D-25. Purchase of annuity or retirement income contracts for employees.

Notwithstanding any provision of law relating to salaries or salary schedules for the pay of faculty members, administrative officers, or any other employees of community colleges, the board of trustees of any of the above institutions may authorize the finance officer or agent of same to enter into annual contracts with any of the above officers, agents and employees which provide for reductions in salaries below the total established compensation or salary schedule for a term of one year. The financial officer or agent shall use the funds derived from the reduction in the salary of the officer, agent or employee to purchase a nonforfeitable annuity or retirement income contract for the benefit of said officer, agent or employee. An officer, agent or employee who has agreed to a salary reduction for this purpose shall not have the right to receive the amount of the salary reduction in cash or in any other way except the annuity or retirement income contract. Funds used for the purchase of an annuity or retirement income contract shall not be in lieu of any amount earned by the officer, agent or employee before his election for a salary reduction has become effective. The agreement for salary reductions referred to in this section shall be effected under any necessary regulations and procedures adopted by the State Board of Community Colleges and on forms prepared by the State Board of Community Colleges. Notwithstanding any other provisions of this section or law, the amount by which the salary of an officer, agent or employee is reduced pursuant to this section shall not be excluded, but shall be included, in computing and making payroll deductions for social security and retirement system purposes, and in computing and providing matching funds for retirement system purposes. (1965, c. 366; 1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1; 1987, c. 564, s. 11.)

Effect of Amendments. — The 1987 amendment, effective July 6, 1987, substituted "community colleges" for "community colleges or technical institutes" in the first sentence.

§ 115D-26. Conflict of interest.

All local trustees and employees of community colleges covered under this Chapter must adhere to the conflict of interest provisions found in G.S. 14-236. (1981, c. 157, s. 5; 1987, c. 564, s. 9.)

Effect of Amendments. — The 1987 amendment, effective July 6, 1987, substituted "community colleges" for "community colleges and technical institutes."

§§ 115D-27 to 115D-30: Reserved for future codification purposes.

ARTICLE 3.

Financial Support.

§ 115D-31. State financial support of institutions.

(a) The State Board of Community Colleges shall be responsible for providing, from sources available to the State Board, funds to meet the financial needs of institutions, as determined by policies and regulations of the State Board, for the following budget items:

(1) Plant Fund. — Furniture and equipment for administrative and instructional purposes, library books, and other items of capital outlay approved by the State Board. Provided, the State Board may, on an equal matching-fund basis from appropriations made by the State for the purpose, grant funds to individual institutions for the purchase of land, construction and remodeling of institutional buildings determined by the State Board to be necessary for the instructional programs or administration of such institutions. For the purpose of determining amount of matching State funds, local funds shall include expenditures made prior to the enactment of this Chapter or prior to an institution becoming a community college pursuant to the provisions of this Chapter, when such expenditures were made for the purchase of land, construction, and remodeling of institutional buildings subsequently determined by the State Board to be necessary as herein specified, and provided such local expenditures have not previously been used as the basis for obtaining matching State funds under the provisions of this Chapter or any other laws of the State. Notwithstanding the provisions of this subdivision, G.S. 116-53(b), or G.S. 143-31.4, appropriations by the State of North Carolina for capital or permanent improvements for community colleges may be matched with any prior expenditure of non-State funds for capital construction or land acquisition not already used for matching purposes.

(2) Current Operating Expenses:

a. General administration. — Salaries and other costs as determined by the State Board necessary to carry out the functions of general administration.

b. Instructional services. — Salaries and other costs as determined by the State Board necessary to carry out the functions of instructional services.

c. Support services. — Salaries and other costs as determined by the State Board necessary to carry out the functions of support services.

(3) Additional Support for Regional Institutions as Defined in G.S. 115D-2(4). — Matching funds to be used with local funds to meet the financial needs of the regional institutions for the items set out in G.S. 115D-32(a)(2)a. Amount of matching funds to be provided by the State under this section shall be determined as follows: The population of the administrative area in which the regional institution is located shall be called the "local factor," the combined populations of all other counties served by the institution

shall be called the "State factor." When the budget for the items listed in G.S. 115D-32(a)(2)a has been approved under the procedures set out in G.S. 115D-45, the administrative area in which the regional institution is located shall provide a percentage to be determined by dividing the local factor by the sum of the local factor and the State factor. The State shall provide a percentage of the necessary funds to meet this budget, the percentage to be determined by dividing the State factor by the sum of the local factor and the State factor. If the local administrative area provides less than its proportionate share, the amount of State funds provided shall be reduced by the same proportion as were the administrative area funds.

Wherever the word "population" is used in this subdivision, it shall mean the population of the particular area in accordance with the latest United States census.

(b) The State Board is authorized to accept, receive, use, or reallocate to the institutions any federal funds or aids that have been or may be appropriated by the government of the United States for the encouragement and improvement of any phase of the programs of the institutions. (1963, c. 448, s. 23; 1973, c. 590, ss. 2, 3; c. 637, s. 1; 1979, c. 462, s. 2; c. 896, s. 13; c. 946, s. 1; 1979, 2nd Sess., c. 1130, s. 1; 1981, c. 157, s. 2; 1985, c. 757, s. 146; 1987, c. 564, ss. 9, 12.)

Cross References. — As to budgeting, accounting and fiscal management, see §§ 115D-54 to 115D-58.12.

Editor's Note. — The Article including § 115D-45, referred to in this section, was rewritten by Session Laws 1981, c. 157, and has been recodified. The subject matter of § 115D-45 is now covered by § 115D-54.

Effect of Amendments. — The 1987 amendment, effective July 6, 1987, substituted reference to community colleges for references to community colleges and technical institutes in subdivision (a)(1).

§ 115D-31.1. Liability insurance.

Notwithstanding the provisions of G.S. 115D-32(a)(2)b2 and any other provision of the law to the contrary, boards of trustees of all institutions in this Chapter may use State funds to pay the lawful premiums of liability insurance as provided in this section. (1983, c. 761, s. 105.)

§ 115D-32. Local financial support of institutions.

(a) The tax-levying authority of each institution shall be responsible for providing, in accordance with the provisions of G.S. 115D-33 or 115D-34, as appropriate, adequate funds to meet the financial needs of the institutions for the following budget items:

(1) Plant Fund: Acquisition of land; erection of all buildings; alterations and additions to buildings; purchase of automobiles, buses, trucks, and other motor vehicles; purchase or rental of all equipment necessary for the maintenance of buildings and grounds and operation of plants; and purchase of all furniture and equipment not provided for administrative and instructional purposes.

(2) Current expenses:

a. Plant operation and maintenance:

1. Salaries of janitors, maids, watchmen, maintenance and repair employees.

2. Cost of fuel, water, power, and telephones.
3. Cost of janitorial supplies and materials.
4. Cost of operation of motor vehicles.
5. Cost of maintenance and repairs of buildings and grounds.
6. Maintenance and replacement of furniture and equipment provided from local funds.
7. Maintenance of plant heating, electrical, and plumbing equipment.
8. Maintenance of all other equipment, including motor vehicles, provided by local funds.
9. Rental of land and buildings.
10. Any other expenses necessary for plant operation and maintenance.

b. Support services:

1. Cost of insurance for buildings, contents, motor vehicles, workers' compensation for institutional employees paid from local funds, and other necessary insurance.
2. Any tort claims awarded against the institution due to the negligence of the institutional employees.
3. Cost of bonding institutional employees for the protection of local funds and property.
4. Cost of elections held in accordance with G.S. 115D-33 and 115D-35.
5. Legal fees incurred in connection with local administration and operation of the institution.

(b) The board of trustees of each institution may apply local public funds provided in accordance with G.S. 115D-33(a), as appropriate, or private funds, or both, to the supplementation of items of the current expense budget financed from State funds, provided a budget is submitted in accordance with G.S. 115D-54.

(c) The board of trustees of each institution may apply institutional funds provided in accordance with G.S. 115D-54(3) [G.S. 115D-54(b)(3)] for such purposes as may be determined by the board of trustees of the institution.

(d) The counties that agree to have satellite campuses of community colleges located in them accept the maintenance and utility costs of these satellite campuses. (1963, c. 448, s. 23; 1979, c. 462, s. 2; 1981, c. 157, s. 3; 1985, c. 757, s. 148(a); 1987, c. 564, s. 11.)

Cross References. — As to budgeting, accounting and fiscal management, see §§ 115D-54 to 115D-58.12.

Effect of Amendments. — The 1987 amendment, effective July 6, 1987, substituted "community colleges" for "community colleges or technical institutes" in subsection (d).

§ 115D-33. Providing local public funds for institutions established under this Chapter; elections.

(a) Except as provided in G.S. 115D-34, the tax-levying authority of an institution may provide for local financial support of the institution as follows:

(1) By appropriations from nontax revenues in a manner consistent with the Local Government Budget and Fiscal Con-

trol Act, provided the continuing authority to make such appropriations shall have been approved by a majority of the qualified voters of the administrative area who shall vote on the question in an election held for such purpose, or

(2) By a special annual levy of taxes within a maximum annual rate which maximum rate shall have been approved by a majority of the qualified voters of the administrative area who shall vote on the question of establishing or increasing the maximum annual rate in an election held for such purpose or both, and

(3) By issuance of bonds, in the case of capital outlay funds, provided that each issuance of bonds shall be approved by a majority of the qualified voters of each county of the administrative area who shall vote on the question in an election held for that purpose. All bonds shall be subject to the Local Government Finance Act (Chapter 159) and shall be issued pursuant to Subchapter IV, Long-Term Financing, (§ 159-43 et seq.) of Chapter 159 of the General Statutes.

(b) At the election on the question of approving authority of the board of commissioners of each county in an administrative area (the tax-levying authority) to appropriate funds from nontax revenues or a special annual levy of taxes or both, the ballot furnished the qualified voters in each county may be worded substantially as follows: "For the authority of the board of commissioners to appropriate funds either from nontax revenues or from a special annual levy of taxes not to exceed an annual rate of ..... cents per one hundred dollars ($100.00) of assessed property valuation, or both, for the financial support of ..... (name of the institution)" plus any other pertinent information and "Against the authority of the board of commissioners, etc.," with a square before each proposition, in which the voter may make a cross mark (X), but any other form of ballot containing adequate information and properly stating the question to be voted upon shall be construed as being in compliance with this section.

(c) The question of approving authority to appropriate funds, to levy special taxes and the question of approving an issue of bonds, when approval of each or both shall be necessary for the establishment or conversion of an institution, shall be submitted at the same election.

(d) All elections shall be held in the same manner as elections held under Article 4, Chapter 159, of the General Statutes, the Local Government Bond Act, and may be held at any time fixed by the tax-levying authority of the administrative area or proposed administrative area of the institution for which such election is to be held.

(e) The State Board of Community Colleges shall ascertain that authority to provide adequate funds for the establishment and operation of an institution has been approved by the voters of a proposed administrative area before favorably recommending approval of the establishment of an institution.

(f) Notwithstanding any present provisions of this Chapter, the tax-levying authority of each institution may at its discretion and upon its own motion provide by appropriations of nontax revenue, tax revenue, or both, funds for the support of institutional purposes as set forth in G.S. 115D-32; but nothing herein shall be construed

to authorize the issuance of bonds without a vote of the people. (1963, c. 448, s. 23; 1971, c. 402; 1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1; 1983, c. 717, s. 27.3.)

§ 115D-34. Providing local public funds for institutions previously established.

(a) For counties in which, immediately prior to the enactment of this Chapter, there was in operation or authorized a public community college or industrial education center which hereafter shall be operated pursuant to the provisions of this Chapter, the following provisions shall apply in providing local financial support for each such institution:

(1) Community colleges: The board of commissioners of a county in which is located a public community college heretofore operated or authorized to operate pursuant to Article 3, Chapter 116, of the General Statutes of North Carolina, may continue to levy special taxes annually for the local financial support of the institution as a community college as provided in G.S. 115D-32, to the maximum rate last approved by the voters of the county in accordance with the above Article. The board of commissioners may also provide all or part of such funds by appropriations, in a manner consistent with the Local Government Budget and Fiscal Control Act, from nontax revenues. The question of increasing the maximum annual rate of a special tax may be submitted at an election held in accordance with the provisions of G.S. 115D-33(d) and the appropriate provisions of G.S. 115D-35.

(2) Industrial education centers: The board of commissioners of a county in which is located an industrial education center heretofore operated or authorized to operate as part of the public school system and which hereafter shall be operated as a community college as defined in this Chapter may levy special taxes annually at a rate sufficient to provide funds for the financial support of the institute or college as required by G.S. 115D-32(a). The board of commissioners may also provide all or part of such funds by appropriations, in a manner consistent with the Local Government Budget and Fiscal Control Act, from nontax revenues. The board of commissioners is authorized to provide additional funds, either by special tax levies or by appropriations from nontax revenues, or both, to an amount equal to that required to be provided above, for the purpose of supplementing the current expense budget of the institute or college financed from State funds.

(b) The board of commissioners of a county in which is located one of the above public community colleges or industrial education centers may provide funds for capital outlay for such institution by the issuance of bonds. All bonds shall be issued in accordance with the appropriate provisions of G.S. 115D-33 and 115D-35.

(c) Public funds provided a community college or industrial education center prior to its becoming subject to the provisions of this Chapter and which remain to the credit of the institution upon its becoming subject to these provisions shall be expended only for the purposes prescribed by law when such funds were provided the

institution. (1963, c. 448, s. 23; 1965, c. 842, s. 1; 1979, c. 462, s. 2; 1987, c. 564, ss. 20, 34.)

Effect of Amendments. — The 1987 amendment, effective July 6, 1987, substituted "institution as a community college as provided in G.S. 115D-32" for "college as provided in G.S. 115D-32" in subdivision (a)(1), and substituted "community college" for "technical institute or community college" in subdivision (a)(2).

§ 115D-35. Requests for elections to provide funds for institutions.

(a) Formal requests for elections on the question of authority to appropriate nontax revenues or levy special taxes, or both, and to issue bonds, when such elections are to be held for the purpose of establishing an institution, shall be originated and submitted only in the following manner:

(1) Proposed multiple-county administrative areas: Formal requests for elections may be submitted jointly by all county boards of education in the proposed administrative area, or by petition of fifteen percent (15%) of the number of qualified voters of the proposed area who voted in the last preceding election for Governor, to the boards of commissioners of all counties in the proposed area, who may fix the time for such election by joint resolution which shall be entered in the minutes of each board.

(2) Proposed single-county administrative area: Formal requests shall be submitted by the board of education of any public school administrative unit within the county of the proposed administrative area or by petition of fifteen percent (15%) of the number of qualified voters of the county who voted in the last preceding election for Governor, to the board of commissioners of the county of the proposed administrative area, who may fix the time for such election by resolution which shall be entered in the minutes of the board.

(b) Formal requests for elections on any of the questions specified in (a) above, or on the question of increasing the maximum annual rate of special taxes for the financial support of an institution with a properly established board of trustees, may be submitted to the tax-levying authority only by such board of trustees.

(c) All formal requests for elections regarding the levy of special taxes shall state the maximum annual rate for which approval is to be sought in an election.

(d) Nothing in this section shall be construed to deny or limit the power of the tax-levying authority of an institution to hold elections, of its own motion, on any or all the questions provided in this section, subject to the provisions of this Article. (1963, c. 448, s. 23; 1979, c. 462, s. 2.)

§ 115D-36. Elections on question of the addition of a college transfer program at an institution and issuance of bonds therefor.

Whenever the board of trustees of an institution requests the State Board of Community Colleges to authorize the addition of a college transfer program, the Board shall require, as a prerequisite to such addition:

(1) The authorization by the voters of the administrative area of an annual levy of taxes within a specified maximum annual rate sufficient to provide the required local financial support for the institution after the addition of the college transfer program, in an election held in accordance with the appropriate provisions of G.S. 115D-33 and 115D-35.

(2) The approval by the voters of the administrative area of the issuance of bonds for capital outlay necessary for the institution after the addition of the college transfer program, in an election held in accordance with the appropriate provisions of G.S. 115D-33 and 115D-35. (1968, c. 443, s. 23; 1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1; 1987, c. 564, s. 5.)

Effect of Amendments. — The 1987 amendment, effective July 6, 1987, rewrote the catchline to this section, in the introductory paragraph substituted "authorize the addition of a college transfer program" for "convert the institution from a technical institute to a community college" and substituted "such addition" for "such conversion"; in subdivision (1) substituted "institution after the addition of the college transfer program" for "converted institution"; and in subdivision (2) substituted "institution after the addition of the college transfer program" for "conversion of the institution."

§ 115D-37. Payment of expenses of special elections under Chapter.

The cost of special elections held under the authority of this Chapter in connection with the establishment of an institution shall be paid out of the general fund of the county or counties which shall conduct such elections. All special elections held on behalf of a duly established institution shall be paid by such institution and the expenses may be included in the annual institutional budgets. (1963, c. 448, s. 23; 1979, c. 462, s. 2.)

§ 115D-38. Authority to issue bonds and notes, to levy taxes and to appropriate nontax revenues.

Counties are authorized to issue bonds and notes and to levy special taxes to meet payments of principal and interest on such bonds or notes and to levy special taxes for the special purpose of providing local financial support of an institution and otherwise to appropriate nontax revenues for the financial support of an institution, in the manner and for the purposes provided in this Chapter.

Taxes authorized by this section are declared to be for a special purpose and may be levied notwithstanding any constitutional lim-

itation or limitations imposed by any general or special law. (1963, c. 448, s. 23; 1979, c. 462, s. 2.)

§ 115D-39. Student tuition and fees.

The State Board of Community Colleges shall fix and regulate all tuition and fees charged to students for applying to or attending any institution pursuant to this Chapter.

The receipts from all student tuition and fees, other than student activity fees, shall be State funds and shall be deposited as provided by regulations of the State Board of Community Colleges.

The legal resident limitation with respect to tuition, set forth in G.S. 116-143.1 and 116-143.3, shall apply to students attending institutions operating pursuant to this Chapter. (1963, c. 448, s. 23; 1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1; 1981, c. 157, s. 4; 1983 (Reg. Sess., 1984), c. 1034, s. 58.)

Cross Reference. — As to contracts by minors borrowing for higher education at junior colleges and industrial education centers, see § 116-174.1.

§ 115D-40. Community College Scholarship Fund.

(a) A nonreverting Community College Scholarship Fund is created in the Department of Community Colleges to provide community college scholarships for needy residents of North Carolina. The State Board of Community Colleges shall adopt rules regarding administration of the Fund and eligibility for scholarships from it. The Department of Community Colleges shall administer the Fund. The Department of Community Colleges shall make an effort to assure that the scholarships are distributed on a geographically equitable basis throughout the State among the several institutions. The principal of the Fund may not be used for any purpose; interest from the Fund may not be used for administering the Fund.

(b) Moneys in the Fund shall be deposited with the State Treasurer and administered under the provisions of G.S. 147-69.3. The State Treasurer shall make the interest earned on the moneys available to the Department of Community Colleges as needed for scholarships. (1983 (Reg. Sess., 1984), c. 1034, s. 38.)

§§ 115D-41 to 115D-44: Reserved for future codification purposes.

Article 4.

Budgeting, Accounting, and Fiscal Management.

§§ 115D-45 to 115D-53: Recodified as §§ 115D-54 to 115D-58.12.

Editor's Note. — This Article was rewritten by Session Laws 1981, c. 157, s. 1, and has been recodified as Article 4A, §§ 115D-54 to 115D-58.12 of this Chapter.

ARTICLE 4A.

Budgeting, Accounting, and Fiscal Management.

§ 115D-54. Preparation and submission of institutional budget.

(a) On or before the first day of May of each year, trustees of each institution shall prepare for submission a budget request as provided in G.S. 115D-54(b) on forms provided by the State Board of Community Colleges. The budget shall be based on estimates of available funds if provided by the funding authorities or as estimated by the institution. The State Current Fund shall be based on available funds. All other funds shall be based on needs as determined by the board of trustees and shall include the following:

(1) State Current Fund.
(2) County Current Fund.
(3) Institutional Fund.
(4) Plant Fund.

(b) The budget shall be prepared and submitted for approval according to the following procedures:

(1) State Current Fund Budget. — The budget request shall contain the items of current operating expenses as provided in G.S. 115D-31 for which State funds are requested. The approving authority for the State current fund budget request shall be the board of trustees and the State Board of Community Colleges.

(2) County Current Fund Budget. — The budget request shall contain the items of current operating expenses, as provided in G.S. 115D-32, for which county funds are requested. The approving authority for the county current fund budget request shall be the board of trustees and the local tax-levying authority. The State Board of Community Colleges shall have approving authority pursuant to G.S. 115D-33 with respect to required local funding.

(3) Institutional Fund Budget. — The budget request shall contain the items of current operating expenses, loan funds, scholarship funds, auxiliary enterprises, State, private, and federal grants and contracts and endowment funds for which institutional funds are requested. The approving authority for the institutional fund budget request shall be the board of trustees of the institution.

(4) Plant Fund Budget. — The budget request shall contain the items of capital outlay, as provided in G.S. 115D-31 and 115D-32, for which funds are requested, from whatever source. The budget shall be submitted first to the local tax-levying authority, which shall approve or disapprove, in whole or in part, that portion of the budget requesting local public funds. Upon approval by the local tax-levying authority, the budget shall be submitted by the board of trustees to the State Board of Community Colleges, which may approve or disapprove, in whole or in part, that portion of the budget requesting State or federal funds. Plant funds provided for construction and major renovations shall be permanent appropriations until the conclusion of the project for which appropriated.

(c) No public funds shall be provided an institution, either by the tax-levying authority or by the State Board of Community Colleges, except in accordance with the budget provisions of this Article.

(d) The preparation of a budget for and the payment of interest and principal on indebtedness incurred on behalf of an institution shall be the responsibility of the county finance officer or county finance officers of the administrative areas, and the board of trustees of the institution shall have no duty or responsibility in this connection.

(e) "Trust and Agency Fund" means funds held by an institution as custodian or fiscal agent for others such as student organizations, individual students, or faculty members. Trust and agency funds need not be budgeted. (1963, c. 448, s. 23; 1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1; 1981, c. 157, s. 1.)

Editor's Note. — This Article is Article 4 of this Chapter as rewritten by Session Laws 1981, c. 157, s. 1, and recodified. Where appropriate, the historical citations to the sections of the former Article have been added to corresponding sections of the new Article.

§ 115D-55. Budget management.

(a) Approval of Budget by Local Tax-Levying Authority. — Not later than May 15, or such later date as may be fixed by the local tax-levying authority, the budget shall be submitted to the local tax-levying authority for approval of that portion within its authority as stated in G.S. 115D-54(b). On or before July 1, or such later date as may be agreeable to the board of trustees, but in no instance later than September 1, the local tax-levying authority shall determine the amount of county revenue to be appropriated to an institution for the budget year. The local tax-levying authority may allocate part or all of an appropriation by purpose, function, or project as defined in the budget manual as adopted by the State Board of Community Colleges.

The local tax-levying authority shall have full authority to call for all books, records, audit reports, and other information bearing on the financial operation of the institution except records dealing with specific persons for which the persons' rights of privacy are protected by either federal or State law.

Nothing in this Article shall be construed to place a duty on the local tax-levying authority to fund a deficit incurred by an institution through failure of the institution to comply with the provisions of this Article or rules and regulations issued pursuant hereto.

(b) Approval of Budget by State Board of Community Colleges. — Not later than 10 days after notification by the local tax-levying authority of the amount appropriated, the budget shall be submitted to the State Board of Community Colleges for approval of that portion within its authority as stated in G.S. 115D-54(b). The State Board of Community Colleges shall approve the budget for each institution in such amount as the State Board decides is available and necessary for the operation of the institution.

The State Board of Community Colleges shall have authority to call for all books, records, audit reports and other information bearing on the financial operation of the institution except records dealing with specific persons for which the persons' rights of privacy are protected by either federal or State law.

Nothing in this Article shall be construed to place a duty on the State Board of Community Colleges to fund a deficit incurred by an institution through failure of the institution to comply with the provisions of this Article or rules and regulations issued pursuant hereto. (1981, c. 157, s. 1.)

§ 115D-56. Final adoption of budget.

Upon notification of approval by the State Board of Community Colleges, the board of trustees shall adopt a budget resolution as defined in the budget manual as adopted by the State Board of Community Colleges, which shall comply with the resolution of the State Board and the appropriations of the tax-levying authorities and all other funding agencies. (1981, c. 157, s. 1.)

§ 115D-57. Interim budget.

In case the adoption of the budget resolution is delayed until after July 1, the board of trustees shall authorize the president, through interim provisions, to pay salaries and the other ordinary expenses of the institution for the interval between the beginning of the fiscal year and the adoption of the budget resolution. Interim provisions so made shall be charged to the proper allocations in the budget resolution. (1981, c. 157, s. 1.)

§ 115D-58. Amendments to the budget; budget transfers.

(a) The State Board of Community Colleges shall adopt rules and regulations governing the amendment of the budget for an institution. The board of trustees may amend the budget at any time after its adoption pursuant to the rules and regulations of the State Board.

(b) If the local tax-levying authority allocates part or all of an appropriation pursuant to G.S. 115D-55, the board of trustees must obtain approval of the local tax-levying authority for an amendment to the budget which increases or decreases the amount of that appropriation allocated to a purpose, function, or project by twenty-five percent (25%) or more from the amount contained in the budget ordinance adopted by the local tax-levying authority or such lesser percentage as specified by the local tax-levying authority in the original budget ordinance, so long as such percentage is not less than ten percent (10%).

(c) The board of trustees may, by appropriate resolution, authorize the president to transfer moneys from one appropriation to another within the same fund, subject to any limitations established by regulations adopted pursuant to this section, and subject to any limitations and procedures prescribed by the board of trustees or State for federal laws or regulations. Any such transfer shall be reported to the board of trustees at its next regular meeting and entered into its minutes. (1981, c. 157, s. 1.)

§ 115D-58.1. Federal contracts and grants.

The board of trustees of any institution may apply for and accept grants from the federal government or any agency thereof, in order to carry out the institution's mission. In exercising this authority, the board of trustees may enter into and carry out contracts with the federal government or any agency thereof, may agree to and comply with any lawful and reasonable condition attached to such a grant, and may make expenditures from any funds so granted. The State Board of Community Colleges shall adopt rules and regulations governing the application for and the acceptance of grants under this section. (1981, c. 157, s. 1.)

§ 115D-58.2. Allocation of revenue to the institution by the local tax-levying authority.

(a) The local tax-levying authority of each institution shall provide, as needed, funds to meet the monthly expenditures, including salaries and other necessary operating expenses, as set forth in a statement prepared by the board of trustees and in accordance with the approved budget. Upon the basis of the approved budget, the county finance officer shall make available to the institution the moneys requested by the board of trustees no later than the fifteenth day of the month for which funds are requested.

(b) Funds received by the trustees of an institution from insurance payments for loss or damage to buildings shall be used for the repair or replacement of such buildings, or, if the buildings are not repaired or replaced, to reduce proportionally the institutional indebtedness borne by the counties of the administrative area of the institution receiving the insurance payments. If such payments, which are not used to repair or replace institutional buildings, exceed the total institutional indebtedness borne by all counties of the administrative area, such excess funds shall remain to the credit of the institution and shall be applied to the next succeeding plant fund budget until the excess funds shall be expended. Funds received by the trustees of an institution for loss or damage to the contents of buildings shall be divided between the board of trustees and the State Board of Community Colleges in proportion to the value of the lost contents owned by the board of trustees and the State, respectively. Until these funds shall have been expended, they shall either be used for repair or replacement of lost contents or be credited to the institution for succeeding plant and current expense budgets as appropriate. (1963, c. 448, s. 23; 1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1; 1981, c. 157, s. 1.)

§ 115D-58.3. Provision for disbursement of State money.

The deposit of money in the State treasury to the credit of the institution shall be made in monthly installments, and additionally as necessary, at such time and in such manner as may be convenient for the operation of the community college system. Before an installment is credited, the institution shall certify to the Department of Community Colleges, the expenditures to be made by the institution from the State Current Fund during the month.

The Department of Community Colleges shall determine whether the moneys requisitioned are due the institution, and upon deter-

mining the amount due, shall cause the requisite amount to be credited to the institution. Upon receiving notice from the Department of Community Colleges that the amount has been placed to the credit of the institution, the institution may issue State warrants up to the amount so certified. Money in the State Current Fund and other moneys made available by the State Board of Community Colleges shall be released only on warrants drawn on the State Treasurer, signed by two officials of the institution designated for this purpose by the board of trustees. (1963, c. 448, s. 23; 1965, c. 448, s. 2; 1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1; 1981, c. 157, s. 1.)

§ 115D-58.4. Provisions for disbursement of local money.

All local public funds received by or credited to an institution shall be disbursed on checks signed by the two officials of the institution who shall have been designated by the board of trustees. The officials so designated shall countersign a check only if the funds required by such check are within the amount of funds remaining to the credit of the institution and are within the unencumbered balance of the appropriation for the item of expenditure according to the approved budgets of the institution. Each check shall be accompanied by an invoice, statement, voucher, or other basic document which indicates, to the satisfaction of the signing officials, that the issuance of such check is proper. (1963, c. 448, s. 23; 1965, c. 488, s. 2; 1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1; 1981, c. 157, s. 1.)

§ 115D-58.5. Accounting system.

(a) Each institution shall establish and maintain an accounting system consistent with procedures as prescribed by the Department of Community Colleges and the State Auditor, which shows its assets, liabilities, equities, revenues, and expenditures.

(b) Each institution shall be governed in its purchasing of all supplies, equipment, and materials by contracts made by or with the approval of the Purchase and Contract Division of the Department of Administration. No contract shall be made by any board of trustees for purchases unless provision has been made in the budget of the institution to provide payment thereof. In order to protect the State purchase contracts, it is the duty of the board of trustees and administrative officers of each institution to pay for such purchases promptly in accordance with the contract of purchase. Equipment shall be titled to the State Board of Community Colleges if derived from State or federal funds.

(c) The operations of each institution shall be subject to oversight of the State Auditor pursuant to Article 5A of Chapter 147 of the General Statutes.

(d) Repealed by Session Laws 1983, c. 913, s. 18, effective July 22, 1983. (1963, c. 448, s. 23; 1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1; 1981, c. 157, s. 1; 1983, c. 913, s. 18.)

§ 115D-58.6. Investment of idle cash.

(a) The institution may deposit at interest or invest all or part of the cash balance of any fund in an official depository of the institution. The institution shall manage investments subject to whatever restrictions and directions the board of trustees may impose. The institution shall have the power to purchase, sell, and exchange securities on behalf of the board of trustees. The investment program shall be so managed that investments and deposits can be converted into cash when needed.

(b) Moneys may be deposited at interest in any bank, savings and loan association or trust company in this State in the form of certificates of deposit or such other forms of time deposits as may be approved for county governments. Investment deposits shall be secured as provided in G.S. 159-31(b).

(c) Moneys may be invested in the form of investments pursuant to G.S. 159-30(c) to county governments and no others. Money in endowment funds may be invested pursuant to G.S. 147-69.2. Provided, however, the institution may elect to deposit at interest any local funds with the State Treasurer for investment as special trust funds pursuant to the provisions of G.S. 147-69.3, and the interest thereon shall accrue to the institution as local funds.

(d) Investment securities may be bought, sold, and traded by private negotiation, and the institutions may pay all incidental costs thereof and all reasonable costs of administering the investment and deposit program from local funds. The institution shall be responsible for their safekeeping and for keeping accurate investment accounts and records.

(e) Interest earned on deposits and investments shall be credited to the fund whose cash is deposited or invested. Cash of several funds may be combined for deposit or investment if not otherwise prohibited by law; and when such joint deposits or investments are made, interest earned shall be prorated and credited to the various funds on the basis of the amounts thereof invested, figured according to an average periodic balance or some other sound accounting principle. Interest earned on the deposit or investment of bond funds shall be deemed a part of the bond proceeds.

(f) Registered securities acquired for investment may be released from registration and transferred by signature of the official designated by the board of trustees. (1981, c. 157, s. 1; c. 612, s. 1.)

§ 115D-58.7. Selection of depository; deposits to be secured.

(a) Each board of trustees shall designate as the official depositories of the institution one or more banks, savings and loan associations or trust companies in this State. It shall be unlawful for any money belonging to an institution, other than moneys required to be deposited with the State Treasurer, to be deposited in any place, bank, savings and loan associations, or trust company other than an official depository except as permitted in G.S. 115D-58.6(b). However, public moneys may be deposited in official depositories in Negotiable Order of Withdrawal (NOW) accounts where permitted by applicable federal or State regulations.

(b) Money deposited in an official depository or deposited at interest pursuant to G.S. 115D-58.6(b) shall be secured in the manner

prescribed in G.S. 159-31(b). When deposits are secured in accordance with this subsection, no public officer or employee may be held liable for any losses sustained by an institution because of the default or insolvency of the depository. (1981, c. 157, s. 1; c. 612, s. 1.)

§ 115D-58.8. Facsimile signatures.

The board of trustees may provide by appropriate resolution for the use of facsimile signature machines, signature stamps, or similar devices in signing checks and drafts. The board shall charge some bonded officer or employee with the custody of the necessary machines, stamps, plates, or other devices, and that person and the sureties on his official bond are liable for any illegal, improper, or unauthorized use of them. Rules and regulations governing the use and control of the facsimile signature shall be adopted by the State Board of Community Colleges. (1981, c. 157, s. 1.)

§ 115D-58.9. Daily deposits.

All moneys regardless of source or purpose collected or received by an officer, employee, or agent of an institution shall be deposited intact in accordance with this section. Each officer, employee and agent of an institution whose duty it is to collect or receive any moneys shall deposit his collections and receipts daily. If the board of trustees gives its approval, deposits may be required only when the moneys on hand amount to as much as two hundred fifty dollars ($250.00), but in any event, a deposit shall be made on the last business day of the month. All deposits shall be made in an official depository. Tuition and all revenues declared by law to be State moneys or otherwise required to be deposited with the State Treasurer shall be deposited pursuant to the rules of the State Treasurer pursuant to G.S. 147-77. (1981, c. 157, s. 1.)

§ 115D-58.10. Surety bonds.

The State Board of Community Colleges shall determine what State employees and employees of institutions shall give bonds for the protection of State funds and property and the State Board is authorized to place the bonds and pay the premiums thereon from State funds.

The board of trustees of each institution shall require all institutional employees authorized to draw or approve checks or vouchers drawn on local funds, and all persons authorized or permitted to receive institutional funds from whatever source, and all persons responsible for or authorized to handle institutional property, to be bonded by a surety company authorized to do business with the State in such amount as the board of trustees deems sufficient for the protection of such property and funds. The tax-levying authority of each institution shall provide the funds necessary for the payment of the premiums of such bonds. (1963, c. 448, s. 23; 1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1; 1981, c. 157, s. 1.)

§ 115D-58.11. Fire and casualty insurance on institutional buildings and contents.

(a) The board of trustees of each institution, in order to safeguard the investment in institutional buildings and their contents, shall:

(1) Insure and keep insured each building owned by the institution to the extent of the current insurable value, as determined by the insured and insurer, against loss by fire, lightning, and the other perils embraced in extended coverage.

(2) Insure and keep insured equipment and other contents of all institutional buildings that are the property of the institution or the State or which are used in the operation of the institution.

(b) The tax-levying authority of each institution shall provide the funds necessary for the purchase of the insurance required in G.S. 115D-58.11(a).

(c) Boards of trustees may purchase insurance from companies duly licensed and authorized to sell insurance in this State or may obtain insurance in accordance with the provisions of Article 16, Chapter 115, of the General Statutes, "State Insurance of Public School Property." (1963, c. 448, s. 23; 1979, c. 462, s. 2; 1981, c. 157, s. 1.)

Editor's Note. — Article 16 of Chapter 115, referred to in this section, was repealed by Session Laws 1981, c. 423. See now Article 38 of Chapter 115C.

§ 115D-58.12. Liability insurance; tort actions against boards of trustees.

(a) Boards of trustees may purchase liability insurance only from companies duly licensed and authorized to sell insurance in this State or from other qualified companies as determined by the Department of Insurance. Each contract of insurance must, by its terms, adequately insure the board of trustees against any and all liability for any damages by reason of death or injury to person or property proximately caused by the negligence or torts of the agents and employees of such board of trustees or institution when acting within the scope of their authority or the course of their employment. Any company which enters into such a contract of insurance with a board of trustees by such act waives any defense based upon the governmental immunity of such board.

(b) Any person sustaining damages, or in case of death, his personal representative, may sue a board of trustees insured under this section for the recovery of such damages in any court of competent jurisdiction in this State, but only in a county of the administrative area of the institution against which the suit is brought; and it shall be no defense to any such action that the negligence or tort complained of was in pursuance of a governmental, municipal, or discretionary function of such board of trustees, to the extent that such board is insured as provided by this section.

(c) Nothing in this section shall be construed to deprive any board of trustees of any defense whatsoever to any action for damages, or to restrict, limit, or otherwise affect any such defense; and nothing in this section shall be construed to relieve any person sustaining damages or any personal representative of any decedent

from any duty to give notice of such claim to the board of trustees or commence any civil action for the recovery of damages within the applicable period of time prescribed or limited by law.

(d) No part of the pleadings which relate to or allege facts as to a defendant's insurance against liability shall be read or mentioned in the presence of the trial jury in any action brought pursuant to this section. Liability shall not attach unless the plaintiff shall waive the right to have all issues of law and fact relating to insurance in such action determined by a jury, and such issues shall be heard and determined by the judge without resort to a jury, and the jury shall be absent during any motions, arguments, testimony, or announcements of findings of fact or conclusions of law with respect thereto, unless the defendant shall request jury trial thereon.

(e) The board of trustees of all institutions in this Chapter is authorized to pay as a necessary expense the lawful premiums of liability insurance provided in this section. (1963, c. 448, s. 23; 1979, c. 462, s. 2; 1981, c. 157, s. 1; 1985, c. 489.)

Legal Periodicals. — For article, "Statutory Waiver of Municipal Immunity Upon Purchase of Liability Insurance in North Carolina and the Municipal Liability Crisis," see 4 Campbell L. Rev. 41 (1981).

§ 115D-58.13. Vending facilities.

Moneys received by an institution on account of operation of vending facilities shall be deposited, budgeted, appropriated, and expended in accordance with the provisions of this Article. (1983 (Reg. Sess., 1984), c. 1034, s. 170.)

§§ 115D-58.14 to 115D-58.17: Reserved for future codification purposes.

Article 5.

Special Provisions.

§ 115D-59. Multiple-county administrative areas.

Should two or more counties determine to form an administrative area for the purpose of establishing and supporting an institution, the boards of commissioners of all such counties shall jointly propose a contract to be submitted to the State Board of Community Colleges as part of the request for establishment of an institution. The contract shall provide, in terms consistent with this Chapter, for financial support of the institution, selection of trustees, termination of the contract and the administrative area, and any other necessary provisions. The State Board of Community Colleges shall have authority to approve the terms of the contract as a prerequisite for granting approval of the establishment of the institution and the administrative area. (1963, c. 448, s. 23; 1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1.)

§ 115D-60. Special provisions for Central Piedmont Community College.

(a) The board of commissioners of Mecklenburg County is authorized to provide the local financial support for the Central Piedmont Community College as provided in G.S. 115D-32 by levying a special tax to a maximum annual rate equal to the maximum rate last approved by the voters of the county for the support of the Central Piedmont Community College as operated pursuant to Article 3, Chapter 116, of the General Statutes of North Carolina, or by appropriations from nontax revenues, or by both. The question of increasing the maximum annual rate may be submitted at an election held in accordance with the provisions of G.S. 115D-33(d) and the appropriate provisions of G.S. 115D-35.

(b) When, in the opinion of the board of trustees of said institution, the use of any building, building site, or other real property owned or held by said board is unnecessary or undesirable for the purposes of said institution the board of trustees may sell, exchange, or lease such property in the same manner as is provided by law for the sale, exchange, or lease of school property by county or city boards of education. The proceeds of any such sale or lease shall be used for capital outlay purposes. (1963, c. 448, s. 23; 1965, c. 402; 1979, c. 462, s. 2.)

§ 115D-61. Special provisions for Coastal Carolina Community College.

All local taxes heretofore authorized by the voters of Onslow County to be levied annually for the local financial support of the Onslow County Industrial Education Center may continue to be levied by the board of commissioners of Onslow County for the purpose of providing local financial support of the institution under its present name. (1967, c. 279; 1979, c. 462, s. 2.)

§ 115D-62. Trustee Association Regions.

The State is divided into six Trustee Association Regions as follows:

Region 1: The counties of Buncombe, Cherokee, Clay, Cleveland, Gaston, Graham, Haywood, Henderson, Jackson, Lincoln, Macon, McDowell, Polk, Rutherford, Swain, and Transylvania.

Region 2: The counties of Alexander, Alleghany, Ashe, Avery, Burke, Caldwell, Catawba, Davie, Iredell, Madison, Mitchell, Rowan, Surry, Watauga, Wilkes, Yadkin, and Yancey.

Region 3: The counties of Alamance, Chatham, Davidson, Caswell, Durham, Forsyth, Franklin, Granville, Guilford, Orange, Person, Randolph, Rockingham, Stokes, Vance, Warren, and Wake.

Region 4: The counties of Anson, Cabarrus, Cumberland, Harnett, Hoke, Johnston, Lee, Mecklenburg, Montgomery, Moore, Richmond, Robeson, Scotland, Stanly, and Union.

Region 5: The counties of Bladen, Brunswick, Carteret, Craven, Columbus, Duplin, Greene, Jones, Lenoir, New Hanover, Onslow, Pamlico, Pender, Sampson, and Wayne.

Region 6: The counties of Beaufort, Bertie, Camden, Chowan, Currituck, Dare, Edgecombe, Gates, Halifax, Hertford, Hyde, Martin, Nash, Northampton, Pasquotank, Perquimans, Pitt, Tyrrell, Washington, and Wilson. (1979, c. 896, s. 9.)

§§ 115D-63 to 115D-67: Reserved for future codification purposes.

ARTICLE 6.

Textile Training School.

§ 115D-68. Creation of board of trustees; members and terms of office; no compensation.

The affairs of the North Carolina Vocational Textile School shall be managed by a board of trustees composed of nine members, who shall be appointed by the Governor, and the State Director of Vocational Education as ex officio member thereof. The terms of office of the trustees appointed by the Governor shall be as follows: Two of said trustees shall be appointed for a term of two years; two for three years; and two for four years. At the expiration of such terms, the appointments shall be made for periods of four years. In the event of any vacancy on said boards, the vacancy shall be filled by appointment by the Governor for the unexpired term of the member causing such vacancy. The members of the said board of trustees appointed by the Governor shall serve without compensation. The reenactment of this section shall not have the effect of vacating the appointment or changing the terms of any of the members of said board of trustees heretofore appointed. (1955, c. 1372, art. 27, s. 1; 1963, c. 448, s. 30; 1969, c. 479; 1979, c. 462, s. 2.)

§ 115D-69. Powers of board.

The said board of trustees shall hold all the property of the North Carolina Vocational Textile School and shall have the authority to direct and manage the affairs of said school, and within available appropriations therefor, appoint a managing head and such other officers, teachers and employees as shall be necessary for the proper conduct thereof. The board of trustees, on behalf of said school, shall have the right to accept and administer any and all gifts and donations from the United States government or from any other source which may be useful in carrying on the affairs of said school. Provided, however, that the said board of trustees is not authorized to accept any such funds upon any condition that said school shall be operated contrary to any provision of the Constitution or statutes of this State. (1955, c. 1372, art. 27, s. 2; 1963, c. 448, s. 30; 1979, c. 462, s. 2.)

§ 115D-70. Board vested with powers and authority of former boards.

The board of trustees acting under authority of this Article is vested with all the powers and authority of the board created under authority of Chapter 360 of the Public Laws of 1941, and the board created under authority of Chapter 806 of the Session Laws of 1971. (1955, c. 1372, art. 27, s. 3; 1963, c. 448, s. 30; 1979, c. 462, s. 2.)

§ 115D-71. Persons eligible to attend institution; subjects taught.

Persons eligible for attendance upon this institution shall be at least 16 years of age and legal residents of the State of North Carolina, as set forth in G.S. 116-143.1 and 116-143.2: Provided, that out-of-state students, not to exceed ten percent (10%) of the total enrollment, may be enrolled when vacancies exist, upon payment of tuition, the amount of tuition to be determined by the board of trustees. The money thus collected is to be deposited in the treasury of the North Carolina Vocational Textile School, to be used as needed in the operation of the school. The institution shall teach the general principles and practices of the textile manufacturing and related subjects. (1955, c. 1372, art. 27, s. 4; 1963, c. 448, s. 30; 1979, c. 462, s. 2.)

Editor's Note. — Section 116-143.2, referred to in this section, expired by the terms of Session Laws 1977, c. 590, s. 2, on July 1, 1982.

§§ 115D-72 to 115D-76: Reserved for future codification purposes.

ARTICLE 7.

Miscellaneous Provisions.

§ 115D-77. Nondiscrimination policy.

It is the policy of the State Board of Community Colleges and of local boards of trustees of the State of North Carolina not to discriminate among students on the basis of race, gender or national origin.

In the employment of professional and all other personnel for institutions operating pursuant to this Chapter, neither the State Board of Community Colleges nor local boards of trustees shall discriminate on the basis of race, gender or national origin. (1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1.)

§ 115D-78. Access to information and public records.

In accordance with Chapter 132 of the General Statutes, all rules, regulations and public records of the State Board of Community Colleges, the Department of Community Colleges, and local boards of trustees shall be available for examination and reproduction on payment of fees by any person. (1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1.)

§ 115D-79. Open meetings.

All official meetings of the State Board of Community Colleges and of local boards of trustees shall be open to the public in accordance with the provisions of G.S. 143-318.1 through 143-318.7. (1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1.)

Editor's Note. — Sections 143-318.1 through 143-318.7, referred to in this section, were repealed by Session Laws 1979, c. 655, s. 1. For present provisions relating to meetings of public bodies, see §§ 143-318.9 through 143-318.18.

§ 115D-80. Administrative Procedure Act applies.

As an agency of the State, the State Board of Community Colleges is subject to the Administrative Procedure Act, Chapter 150B of the General Statutes. Local boards of trustees are exempt from Chapter 150B. (1979, c. 462, s. 2; c. 896, s. 13; 1979, 2nd Sess., c. 1130, s. 1; 1987, c. 827, s. 17.)

Effect of Amendments. — The 1987 amendment, effective August 13, 1987, rewrote this section.

§ 115D-81. Saving clauses.

(a) Continuation of Existing Law. — The provisions of this Chapter, insofar as they are the same as those of existing laws, are intended as a continuation of such laws and not as new enactments. The repeal by the act enacting this Chapter of any statute or part thereof shall not revive any statute or part thereof previously repealed or suspended. The provisions of this section shall not affect title to, or ownership of, any real or personal property vested before April 26, 1979. This Chapter shall not in any way affect or repeal any local acts in conflict with the terms of this Chapter.

(b) Existing Rights and Liabilities. — The provisions of this Chapter shall not affect any act done, liability incurred or right accrued or vested, or affect any suit or prosecution pending or to be instituted to enforce any right or penalty or punish any offense under the authority of statutes repealed by the act enacting this Chapter. (1979, c. 462, s. 2.)

§§ 115D-82 to 115D-86: Reserved for future codification purposes.

Article 8.

Proprietary Schools.

Editor's Note. — This Article is former Article 40 of Chapter 115C, as transferred and recodified by Session Laws 1987, c. 442, s. 2, effective July 1, 1987.

Session Laws 1987, c. 442, s. 3 provides:

"Nothing in this act shall be construed to mean that proprietary schools as defined in Article 40 of Chapter 115C and transferred to Chapter 115D by this act shall become community colleges or technical institutes or part of the Community College System, except for licensing and supervision. Specific authorization by the General Assembly shall be required before any proprietary school shall become a community college or technical institute or part of the Community College System."

§ 115D-87. Definitions.

As used in this Article:

(1) "Correspondence school" means an educational institution privately owned and operated by an owner, partnership or corporation conducted for the purpose of providing, by correspondence, for a consideration, profit, or tuition, systematic instruction in any field or teaches or instructs in any subject area through the medium of correspondence between the pupil and the school, usually through printed or typewritten matter sent by the school and written responses by the pupil.

(2) "Persons" means any individual, association, partnership or corporation, and includes any receiver, referee, trustee, executor, or administrator as well as a natural person.

(3) "Private business school" or "business school" or "school" means an educational institution privately owned and operated by an owner, partnership or corporation, offering business courses for which tuition is charged, in such subjects as typewriting, manual or machine shorthand, filing and indexing, receptionist's duties, key-punch, teletype, penmanship, bookkeeping, accounting, office machines, business arithmetic, English, business letter writing, salesmanship, personality development, leadership training, public speaking, real estate, insurance, traffic management, business psychology, economics, business management, and other related subjects of a similar character or subjects of general education when they contribute value to the objective of the course of study. Classes in any of the subjects herein referred to which are taught or coached in homes or elsewhere to five or less students are not included in the term "school" and shall be exempt from the requirements of this Article.

(4) "Private trade school" means an educational institution privately owned and operated by an owner, partnership or corporation, offering classes conducted for the purpose of teaching, for profit or for a tuition charge, any trade, technical, mechanical or industrial occupation or teaching any or several of the subjects needed to train youths or adults in the skills, technical knowledge, related industrial information, and job judgment, necessary for success in one or more skilled trades, industrial occupations or related occupations. (1955, c. 1372, art. 30, ss. 1, 2; 1957, c. 1000; 1961, c. 1175, s. 1; 1981, c. 423, s. 1; 1987, c. 442, s. 2.)

Editor's Note. — This section was formerly § 115C-568. It was recodified by Session Laws 1987, c. 442, s. 2, effective July 1, 1987.

CASE NOTES

Purpose of Article. — The primary purpose of Article 31 of former Chapter 115, similar to this Article, was to control and regulate certain private schools — specifically business, trade and correspondence schools. State v. Williams, 253 N.C. 337, 117 S.E.2d 444 (1960).

§ 115D-88. Exemptions.

It is the purpose of this Article to include all private schools operated for profit: Provided, that the following schools shall be exempt from the provisions of this Article:

(1) Nonprofit schools conducted by bona fide eleemosynary or religious institutions.

(2) Schools maintained or classes conducted by employers for their own employees where no fee or tuition is charged.

(3) Courses of instruction given by any fraternal society, civic club, or benevolent order, which courses are not operated for profit.

(4) Any school for which there is another legally existing licensing board in this State.

(5) Any established university, professional, or liberal arts college, public or private high school approved by the Department of Public Instruction, or any State institution which has heretofore offered, or which may hereinafter offer one or more courses covered in this Article: Provided, that the tuition fees and charges, if any, made by such university, college, high school, or State institution shall be collected by their regular officers in accordance with the rules and regulations prescribed by the board of trustees or governing body of such university, college, high school, or State institution; but provisions of the Article shall apply to all business schools, trade schools, or correspondence schools or branch schools, as defined in this Article, and operated within the State of North Carolina as such institutions, except schools for which there are other legally existing licensing boards. (1955, c. 1372, art. 30, ss. 1, 2; 1957, c. 1000; 1961, c. 1175, s. 2; 1981, c. 423, s. 1; 1983, c. 768, s. 10; 1987, c. 442, s. 2.)

Editor's Note. — This section was formerly § 115C-569. It was recodified by Session Laws 1987, c. 442, s. 2, effective July 1, 1987.

§ 115D-89. State Board of Community Colleges to administer Article; issuance of diplomas by schools; investigation and inspection; regulations and standards.

(a) The State Board of Community Colleges, acting by and through the President of the Department of Community Colleges, shall have authority to administer and enforce this Article and to issue licenses to private schools and educational institutions, as the same are defined herein, whose sustained curriculum is of a grade equal to that prescribed for similar public schools and educational institutions of the State and which have met the standards set forth by the Board, including but not limited to course offerings, adequate facilities, financial stability, competent personnel and legitimate operating practices.

(b) Any such private school or educational institution may by and with the approval of the State Board issue certificates and diplomas.

(c) The State Board, acting by and through the President of the Department of Community Colleges, shall formulate the criteria

and the standards evolved thereunder for the approval of such schools or educational institutions, provide for adequate investigations of all schools applying for a license and issue licenses to those applicants meeting the standards fixed by the Board, maintain a list of schools approved under the provisions of this Article which list shall be available for the information of the public, and provide for periodic inspection of all schools licensed under the provisions of this Article. Through periodic reports required of licensed schools or branch schools and by inspections made by authorized representatives of the State Board of Community Colleges, the State Board of Community Colleges shall have general supervision over business, trade and correspondence schools in the State, the object of said supervision being to protect the health, safety and welfare of the public by having the licensed business, trade and correspondence schools maintain adequate, safe and sanitary school quarters, sufficient and proper facilities and equipment, sufficient and qualified teaching staff, and satisfactory programs of operation and instruction, and to have the school carry out its advertised promises and contracts made with its students and patrons. To this end the State Board of Community Colleges is authorized to issue such regulations and standards not inconsistent with the provisions of this Article as are necessary to administer the provisions of this Article. (1955, c. 1372, art. 30, s. 4; 1957, c. 1000; 1961, c. 1175, s. 3; 1981, c. 423, s. 1; 1987, c. 442, ss. 1, 2.)

Editor's Note. — This section was formerly § 115C-570. It was recodified by Session Laws 1987, c. 442, s. 2, effective July 1, 1987.

Effect of Amendments. — The 1987 amendment, effective July 1, 1987, substituted "State Board of Community Colleges" for "State Board of Education" and substituted "President of the Department of Community Colleges" for "Superintendent of Public Instruction."

§ 115D-90. License required; application for license; school bulletins; requirements for issuance of license; license restricted to courses indicated; supplementary applications.

(a) No person shall operate, conduct or maintain or offer to operate in this State a private school or educational institution as defined herein unless a license is first secured from the State Board of Community Colleges issued in accordance with the provisions of this Article and the rules and regulations promulgated by the Board under the authority of G.S. 115D-89. The license, when issued, shall constitute the formal acceptance by the Board of the educational programs and facilities of each private school approved.

(b) Application for a license shall be filed in the manner and upon the forms prescribed and furnished by the President of the Department of Community Colleges for that purpose. Such application shall be signed by the applicant and properly verified and shall contain such of the following information as may apply to the particular school or branch school, for which a license is sought:

(1) The title or name of the school or classes, together with the name and address of the owners and of the controlling officers thereof.

(2) The general field of instruction.

(3) The place or places where such instruction will be given.
(4) A specific listing of the equipment available for instruction in each field.
(5) The qualifications of instructors and supervisors.
(6) Financial resources available to equip and to maintain the school or classes.
(7) Such additional information as the State Board may deem necessary to enable it to determine the adequacy of the program of instruction and matters pertaining thereto. Each application shall be accompanied by a copy of the current bulletin or catalog of the school which shall be in published form and certified by an authorized official of the school as being true and correct in content and policy. The school bulletin shall contain the following information:
a. Identifying data, such as volume number and date of publication.
b. Names of the institution and its governing body, officials and faculty.
c. A calendar of the institution showing legal holidays, beginning and ending date of each quarter, term or semester, and other important dates.
d. Institution's policy and regulations relative to leave, absences, class cuts, make-up work, tardiness and interruptions for unsatisfactory attendance.
e. Institution's policy and regulations on enrollment with respect to enrollment dates and specific entrance requirements for each course.
f. Institution's policy and regulations relative to standards of progress required of the student by the institution. This policy will define the grading system of the institution; the minimum grades considered satisfactory; conditions for interruption for unsatisfactory grades or progress and description of the probationary period, if any, allowed by the institution; and conditions of reentrance for those students dismissed for unsatisfactory progress. A statement will be made regarding progress records kept by the institution and furnished the student.
g. Institution's policy and regulations relating to student conduct and conditions for dismissal for unsatisfactory conduct.
h. Detailed schedule for fees, charges for tuition, books, supplies, tools, student activities, laboratory fees, service charges, rentals, deposits, and all other charges.
i. Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees and other charges in the event the student does not enter the course or withdraws or is discontinued therefrom.
j. A description of the available space, facilities and equipment.
k. A course outline for each course for which approval is requested, showing subjects or units in the course, type of skill or skill to be learned, and approximate time and clock hours to be spent on each subject or unit.

l. Policy and regulations of the institution relative to granting credit for previous educational training.

(c) After due investigation and consideration on the part of the State Board as provided herein, a license shall be issued to the applicant when it is shown to the satisfaction of said Board that said applicant, school, programs of study or courses are found to have met the following criteria:

(1) The courses, curriculum and instruction are consistent in quality, content and length with similar courses in public schools and other private schools in the State, with recognized accepted standards.

(2) There is in the institution adequate space, equipment, instructional material and instructor personnel to provide training of good quality.

(3) Education and experience qualifications of director, administrators and instructors are adequate.

(4) The institution maintains a written record of the previous education and training of the student.

(5) A copy of the course outline, schedule of tuition, fees and other charges, regulations pertaining to absences, grading policy and rules of operation and conduct will be furnished the student upon enrollment.

(6) Upon completion of training, the student is given a certificate or diploma by the institution indicating the approved course and indicating that training was satisfactorily completed.

(7) Adequate records as prescribed by the State Board of Community Colleges are kept to show attendance and progress or grades and satisfactory standards relating to attendance, progress and conduct are enforced.

(8) The school complies with all local, city, county, municipal, State and federal regulations, such as fire codes, building and sanitation codes. The State Board of Community Colleges may require such evidence of compliance as is deemed necessary.

(9) The school is financially sound and capable of fulfilling its commitments for training.

(10) The school does not exceed its enrollment limitation as established by the State Board of Community Colleges.

(11) The school does not utilize advertising of any type which is erroneous or misleading, either by actual statement, omission or intimation.

(12) The school's administrators, directors, owners and instructors are of good reputation and character.

(13) Such additional criteria as may be deemed necessary by the State Board.

(d) Any license issued shall be restricted to the programs of instruction or courses specifically indicated in the application for a license. The holder of a license shall present a supplementary application as may be directed by the State Superintendent for approval of additional programs of instruction or courses in which it is desired to offer instruction during the effective period of the license. (1955, c. 1372, art. 30, ss. 3, 4; 1957, c. 1000; 1961, c. 1175, s. 4; 1981, c. 423, s. 1; 1987, c. 442, ss. 1, 2.)

Editor's Note. — This section was formerly § 115C-571. It was recodified by Session Laws 1987, c. 442, s. 2, effective July 1, 1987.

The President of the Department of Community Colleges now has the duties of the State Superintendent referred to in the second sentence of subsection (d).

Effect of Amendments. — The 1987 amendment, effective July 1, 1987, substituted "State Board of Community Colleges" for "State Board of Education" and substituted "President of the Department of Community Colleges" for "Superintendent of Public Instruction."

§ 115D-91. Duration and renewal of licenses; notice of change of ownership, administration, etc.; license not transferable.

(a) All licenses issued shall expire on June 30 next following the date of issuance.

(b) Licenses shall be renewable annually on July 1: Provided, an application for the renewal of the license has been filed in the form and manner prescribed by the State Board and the renewal fee has been paid: Provided, further that the school and its courses, facilities, faculty and all other operations are found to meet the criteria set forth in the requirements for a school to secure an original license.

(c) After a license is issued to any school by the State Board of Community Colleges on the basis of its application, it shall be the responsibility of said school to notify immediately said Board of any changes in the ownership, administration, location, faculty, the instructional program or other changes as may affect significantly the course of instruction offered.

(d) In the event of the sale of such school, the license already granted to the original owner or operators thereof shall not be transferable to the new ownership or operators. (1955, c. 1372, art. 30, s. 4; 1957, c. 1000; 1961, c. 1175, s. 5; 1981, c. 423, s. 1; 1987, c. 442, ss. 1, 2.)

Editor's Note. — This section was formerly § 115C-572. It was recodified by Session Laws 1987, c. 442, s. 2, effective July 1, 1987.

Effect of Amendments. — The 1987 amendment, effective July 1, 1987, substituted "State Board of Community Colleges" for "State Board of Education."

§ 115D-92. Commercial Education Fund established; refund of fees.

The fees and licenses collected under this section shall be placed in a special fund to be designated the "Commercial Education Fund" and shall be used under the supervision and direction of the State Board of Community Colleges for the administration of this Article. No license fee shall be refunded in the event the application is rejected or the license suspended or revoked. (1961, c. 1175, s. 6; 1981, c. 423, s. 1; 1987, c. 442, ss. 1, 2.)

Editor's Note. — This section was formerly § 115C-573. It was recodified by Session Laws 1987, c. 442, s. 2, effective July 1, 1987.

Effect of Amendments. — The 1987 amendment, effective July 1, 1987, substituted "State Board of Community Colleges" for "State Board of Education."

§ 115D-93. Suspension, revocation or refusal of license; notice and hearing; judicial review; grounds.

(a) A refusal to issue, refusal to renew, suspension of, or revocation of a license under this section shall be made in accordance with Chapter 150B of the General Statutes.

(b) A decision under this section to refuse to grant, refuse to renew, suspend, or revoke a license is subject to judicial review in accordance with Article 4 of Chapter 150B of the General Statutes.

(c) The State Board, acting by and through the President of the Department of Community Colleges, shall have the power to refuse to issue or renew any such license and to suspend or revoke any such license theretofore issued in case it finds one or more of the following:

(1) That the applicant for or holder of such a license has violated any of the provisions of this Article or any of the rules and regulations promulgated thereunder.

(2) That the applicant for or holder of such a license has knowingly presented to the State Board of Community Colleges false or misleading information relating to approval.

(3) That the applicant for or holder of such a license has failed or refused to permit authorized representatives of the State Board of Community Colleges to inspect the school, or has refused to make available to them at any time upon request full information pertaining to matters within the purview of the State Board of Community Colleges under the provisions of this Article.

(4) That the applicant for or holder of such a license has perpetrated or committed fraud or deceit in advertising the school or in presenting to the prospective students written or oral information relating to the school, to employment opportunities, or to opportunities for enrollment in other institutions upon completion of the instruction offered in the school.

(5) That the applicant or licensee has pleaded guilty, entered a plea of nolo contendere or has been found guilty of a crime involving moral turpitude by a judge or jury in any state or federal court.

(6) That the applicant or licensee has failed to provide or maintain premises, equipment or conditions which are adequate, safe and sanitary, in accordance with such standards of the State of North Carolina or any of its political subdivisions, as are applicable to such premises and equipment.

(7) That the licensee is employing teachers, supervisors or administrators who have not been approved by the State Board.

(8) That the licensee has failed to provide and maintain adequate premises, equipment, materials or supplies, or has exceeded the maximum enrollment for which the school or class was licensed.

(9) That the licensee has failed to provide and maintain adequate standards of instruction or an adequate and qualified administrative, supervisory or teaching staff. (1961, c.

1175, s. 7; 1973, c. 1331, s. 3; 1981, c. 423, s. 1; 1987, c. 442, ss. 1, 2; c. 827, s. 53.)

Editor's Note. — This section was formerly § 115C-574. It was recodified by Session Laws 1987, c. 442, s. 2, effective July 1, 1987.

Effect of Amendments. — Session Laws 1987, c. 442, s. 1, effective July 1, 1987, substituted "State Board of Community Colleges" for "State Board of Education" and substituted "President of the Department of Community Colleges" for "Superintendent of Public Instruction."

Session Laws 1987, c. 827, s. 53, effective August 13, 1987, rewrote subsections (a) and (b).

§ 115D-94: Repealed by Session Laws 1983 (Regular Session 1984), c. 995, s. 17, effective June 27, 1984.

Editor's Note. — This section was formerly § 115C-575. It was recodified by Session Laws 1987, c. 442, s. 2, effective July 1, 1987.

§ 115D-95. Execution of bond required; filing and recording; actions upon bond.

(a) Before the State Board of Community Colleges shall issue such license the person, partnership, association of persons, or corporation shall execute a bond in the sum of one thousand dollars ($1,000), signed by a solvent guaranty company authorized to do business in the State of North Carolina, or by two solvent individual sureties, payable to the State of North Carolina, and approved as to solvency by the clerk of the superior court of the county in which such school or branch school will be located and conduct its business, conditioned that the principal in said bond will carry out and comply with each and every contract, made and entered into by said school or branch school, acting by and through its officers and agents with any student who desires to enter such school or branch school and to take any courses offered therein and will pay back to such student all amounts collected in tuition and fees in case of failure on the part of the parties obtaining a license from the State Board of Community Colleges to open and conduct a business school, trade school or a correspondence school, to comply with its contracts to give the instructions contracted for, and for full period evidenced by such contract. Such bond shall be filed with the clerk of the superior court of the county in which the school or branch school executing the bond is located, and shall be recorded by such clerk in a book provided for that purpose.

(b) The requirement herein specified for giving the aforesaid bond of one thousand dollars ($1,000) shall apply to all business, trade or correspondence schools, or any branches thereof operating in North Carolina, and the State Board of Community Colleges shall not issue any license to any person, firm or corporation to operate any of the aforesaid schools until said bond has been given and notice of the approval of same by the clerk of the superior court has been filed with said Board of Community Colleges. Operator bonds of one thousand dollars ($1,000) each shall be required for each branch of such business, trade, correspondence schools, or any branch thereof operated within the State by any person, partnership or corporation.

(c) In any and all cases where the party receiving the license from the State Board of Community Colleges fails to comply with any contract made and entered into with any student, or with the parents or guardian of said student, then the State of North Carolina upon the relation of said student, parent or guardian entering into the contract shall have a cause of action against the principal and sureties on the bonds herein provided for the full amount of payments made to such person, with six percent (6%) interest from the date of payment of said amount. For a violation of its contract with a student, or for other good cause, the State Board of Community Colleges is authorized to revoke the license issued to the offending school. (1955, c. 1372, art. 30, s. 5; 1957, c. 1000; 1961, c. 1175, s. 9; 1981, c. 423, s. 1; 1987, c. 442, ss. 1, 2.)

Editor's Note. — This section was formerly § 115C-576 It was recodified by Session Laws 1987, c. 442, s. 2, effective July 1, 1987.

Effect of Amendments. — The 1987 amendment, effective July 1, 1987, substituted references to the State Board of Community Colleges for references to the State Board of Education.

§ 115D-96. Operating school without license or bond made misdemeanor.

Any person, or each member of any association of persons or each officer of any corporation who opens and conducts a business school, a trade school or a correspondence school, or branch school as defined in this Article, without first having obtained the license herein required, and without first having executed the bond required, shall be guilty of a misdemeanor and be punishable by a fine of not less than one hundred dollars ($100.00), nor more than five hundred dollars ($500.00) or 30 days imprisonment, or both, at the discretion of the court, and each day said school continues to be open and operated shall constitute a separate offense. (1955, c. 1372, art. 30, s. 7; 1957, c. 1000; 1961, c. 1175, s. 10; 1981, c. 423, s. 1; 1987, c. 442, s. 2.)

Editor's Note. — This section was formerly § 115C-577. It was recodified by Session Laws 1987, c. 442, s. 2, effective July 1, 1987.

CASE NOTES

Evidence held insufficient to carry charges to jury. See State v. Rogers, 30 N.C. App. 298, 226 S.E.2d 829, cert. denied, 290 N.C. 781, 229 S.E.2d 35 (1976).

§ 115D-97. Contracts with unlicensed schools and evidences of indebtedness made null and void.

All contracts entered into by business, trade or correspondence schools, or branch school, as defined in this Article, with students or prospective students, and all promissory notes or other evidence of indebtedness taken in lieu of cash payments by such schools shall

be null and void unless such schools are duly licensed as required by this Article. (1957, c. 1000; 1961, c. 1175, s. 11; 1981, c. 423, s. 1; 1987, c. 442, s. 2.)

Editor's Note. — This section was formerly § 115C-578. It was recodified by Session Laws 1987, c. 442, s. 2, effective July 1, 1987.

Chapter 115B.
Tuition Waiver for Senior Citizens.

Sec.
115B-1. Definition.
115B-2. Tuition waiver authorized.
115B-3. Rules and regulations.
115B-4. Enrollment computation for funding purposes.
115B-5. Proof of eligibility.
115B-6. Misrepresentation of eligibility.

§ 115B-1. Definition.

As used in this Chapter, "tuition" shall mean the amount charged for registering for a credit hour of instruction and shall not be construed to mean any other fees or charges or costs of textbooks. (1975, c. 606, s. 1; 1977, c. 981, s. 1.)

§ 115B-2. Tuition waiver authorized.

State-supported institutions of higher education, community colleges, industrial education centers and technical institutes, shall permit legal residents of North Carolina who have attained the age of 65 to attend classes for credit or noncredit purposes without the required payment of tuition; provided, however, that such persons meet admission and other standards deemed appropriate by the educational institution, and provided further that such persons shall be accepted by the constituent institutions of the University of North Carolina only on a spaces-available basis. (1975, c. 606, s. 2; 1977, c. 981, s. 2.)

§ 115B-3. Rules and regulations.

The Board of Governors of the University of North Carolina and the State Board of Education shall each, with respect to the institutions governed by it, promulgate rules and regulations necessary for the implementation of the provisions of this Chapter. (1975, c. 606, s. 3; 1977, c. 981, s. 3.)

§ 115B-4. Enrollment computation for funding purposes.

Persons attending classes under the provisions of this Chapter, without payment of tuition, shall be counted in the computation of enrollment for funding purposes. (1975, c. 606, s. 4; 1977, c. 981, s. 4.)

§ 115B-5. Proof of eligibility.

The officials of such institutions charged with administration of this Chapter may require such proof as they deem necessary to insure that the person applying to the institution is eligible for the benefits provided by this Chapter. (1975, c. 606, s. 5; 1977, c. 981, s. 5.)

§ 115B-6. Misrepresentation of eligibility.

Any applicant who willfully misrepresents his eligibility for the tuition benefits provided under this Chapter, or any person who knowingly aids or abets such applicant in misrepresenting his eligibility for such benefits, shall be deemed guilty of a misdemeanor and, upon conviction, shall be fined not more than fifty dollars ($50.00) or imprisoned for not more than 30 days, or both. (1975, c. 606, s. 6; 1977, c. 981, s. 6.)

Chapter 115C.

Elementary and Secondary Education.

SUBCHAPTER IV. EDUCATION PROGRAM.

Article 10.

Vocational Education.

Part 1. Vocational Education Programs.

Sec.
115C-154. Duties of the State Board of Education.
115C-158. Federal funds division.

SUBCHAPTER V. PERSONNEL.

Article 23.

Employment Benefits.

115C-338. Salaries for employees injured during an episode of violence.

SUBCHAPTER IV. EDUCATION PROGRAM.

ARTICLE 10.

Vocational Education.

Part 1. Vocational Education Programs.

§ 115C-154. Duties of the State Board of Education.

In carrying out its duties, the State Board of Education shall have full authority to develop and implement such policies, rules, regulations, and procedures as necessary to ensure vocational education programs of high quality. The State Board of Education shall prepare a Master Plan for Vocational Education. Such plan, to be updated periodically, shall ensure minimally that:

(1) Articulation will occur with institutions, agencies, councils, and other organizations having responsibilities for manpower development.

(2) Business, industrial, agricultural, and lay representatives have been utilized in the development of decisions affecting vocational education programs and services.

(3) Public hearings are conducted annually to afford the public an opportunity to express their views concerning the State Board's plan to suggest changes in the plan.

(4) The plan describes the State's policy for vocational education and the system utilized for the delivery of vocational education programs, services, and activities.

(5) A professionally and occupationally qualified staff is employed and organized in a manner to assure efficient and effective State leadership for vocational education. Provisions will be made for such functions as: planning, administration, supervision, curriculum development, research and evaluation, and such others as the State Board may direct.

(6) An appropriate supply of qualified personnel is trained for program expansion and replacements through cooperative arrangements with institutions of higher education and other institutions or agencies, including where necessary financial support of programs and curriculums designed

for the preparation of vocational administrators, supervisors, coordinators, instructors, and support personnel.

(7) Minimum standards shall be prescribed for personnel employed at the State and local levels.

(8) Local boards of education submit to the State Board of Education a local plan for vocational education which has been prepared in accordance with the procedures set forth in the Master Plan for Vocational Education.

(9) Appropriate minimum standards for vocational education programs, services, and activities shall be established, promulgated, supervised, monitored, and maintained. Such standards shall specify such characteristics as program objectives, skill competencies, course sequence, program duration, class size, supervised on-the-job experiences, qualifications of instructors, and all other standards necessary to ensure that all programs conducted by local school administrative units shall be of high quality, relevant to student needs, and coordinated with employment opportunities.

(10) A system of continuing qualitative and quantitative evaluation of all vocational education programs, services, and activities supported under the provisions of this Part shall be established, maintained, and utilized periodically. One component of such system shall be follow-up studies of former students of vocational education programs who have been out of school for one year, and for five years to ascertain the effectiveness of instruction, services, and activities. (1977, c. 490, s. 2; 1981, c. 423, s. 1; 1983, c. 750, s. 1.)

§ 115C-158. Federal funds division.

The division between secondary and post-secondary educational systems and institutions of federal funds for which the State Board of Vocational Education has responsibility shall, within discretionary limits established by law, require the concurrence of the State Board of Education and the State Board of Community Colleges on and after January 1, 1981. The portion of the approved State Plan for post-secondary vocational education required by G.S. 115C-154 shall be as approved by the State Board of Community Colleges. (1979, 2nd Sess., c. 1130, s. 4; 1981, c. 423, s. 1.)

SUBCHAPTER V. PERSONNEL.

ARTICLE 23.

Employment Benefits.

§ 115C-338. Salaries for employees injured during an episode of violence.

(a) For the purpose of this section, "employee" shall mean any teacher, helping teacher, librarian, principal, supervisor, superintendent of public schools or any full-time employee, city or county, superintendent of public instruction, or any full-time employee of Department of Public Instruction, president, dean or teacher, or any full-time employee in any educational institution supported by

and under the control of the State: Provided, that the term "teacher" shall not include any part-time, temporary, or substitute teacher or employee, and shall not include those participating in an optional retirement program provided for in G.S. 135-5.1. In all cases of doubt, the Board of Trustees, as defined in G.S. 135-1(7), shall determine whether any person is a teacher as herein defined.

(b) Any employee who while engaged in the course of his employment or in any activities incidental thereto, suffers any injury or disability resulting from or arising out of any episode of violence by one or more persons shall be entitled to receive his full salary during the shortest of these periods: one year, the continuation of his disability, or the time during which he is unable to engage in his employment because of injury. An episode of violence shall be defined to mean but shall not be limited to any acts of violence directed toward any school building or facility, or to any employee or any student by any person including but not limited to another student. These benefits shall be in lieu of all other income or disability benefits payable under workers' compensation to such employee only during the period prescribed herein. Thereafter, such teacher shall be paid such income or disability payments to which he might be entitled under workers' compensation. If the employment of a substitute is necessitated by the disability of the injured employee the salary of such substitute shall be paid from the same source of funds from which the employee is paid. This section shall in no way limit the right of the injured employee to receive the benefits of medical, hospital, drug and related expense payments from any source, including workers' compensation: Provided, further, that this section shall not apply to any employee who is injured while he participates in or provokes such episode of violence except as is incident to the maintenance or restoration of order or classroom discipline or to defend himself: Provided, further, that this section shall be given liberal construction and interpretation as to any and all definitions, conditions, and factual circumstances set forth herein.

(c) Any employee claiming the benefits of this section shall file claim with the board of education employing such employee within one year after the occurrence giving rise to his alleged injury. That board of education shall, within 30 days after receipt of such claim, decide whether and to what extent that employee is entitled to the benefits of this section and shall forthwith transmit its decision in writing to such employee. That employee shall, however, have the right to appeal the decision of that board of education to the North Carolina Industrial Commission by serving that board of education and the North Carolina Industrial Commission with written notice thereof within 30 days after receipt of the board's written decision. In determining all appeals under this section the North Carolina Industrial Commission shall constitute a court for the purpose of hearing de novo and passing upon all claims thereby presented in accordance with procedures utilized by the Commission in determining claims under the Workers' Compensation Act. The decision of the Industrial Commission in each instance shall be subject to appeal to the North Carolina Court of Appeals as provided in G.S. 143-293 and 143-294. (1971, c. 640, ss. 1, 2; 1973, c. 753; 1979, c. 714, s. 2; 1981, c. 423, s. 1.)

Chapter 116.
Higher Education.

Article 14.

General Provisions as to Tuition and Fees in Certain State Institutions.

Sec.
116-143.1. Provisions for determining resident status for tuition purposes.
116-143.3. Tuition of personnel in the armed services.
116-144. Higher tuition to be charged nonresidents.

Article 18A.

Contracts of Minors Borrowing for Higher Education; Scholarship Revocation.

Sec.
116-174.1. Minors authorized to borrow for higher education; interest; requirements of loans.
116-174.2. Grounds for revocation of scholarships.

Article 14.

General Provisions as to Tuition and Fees in Certain State Institutions.

§ 116-143.1. Provisions for determining resident status for tuition purposes.

(a) As defined under this section:

(1) A "legal resident" or "resident" is a person who qualifies as a domiciliary of North Carolina; a "nonresident" is a person who does not qualify as a domiciliary of North Carolina.

(2) A "resident for tuition purposes" is a person who qualifies for the in-State tuition rate; a "nonresident for tuition purposes" is a person who does not qualify for the in-State tuition rate.

(3) "Institution of higher education" means any of the constituent institutions of the University of North Carolina and the community colleges under the jurisdiction of the State Board of Community Colleges.

(b) To qualify as a resident for tuition purposes, a person must have established legal residence (domicile) in North Carolina and maintained that legal residence for at least 12 months immediately prior to his or her classification as a resident for tuition purposes. Every applicant for admission shall be required to make a statement as to his length of residence in the State.

(c) To be eligible for classification as a resident for tuition purposes, a person must establish that his or her presence in the State currently is, and during the requisite 12-month qualifying period was, for purposes of maintaining a bona fide domicile rather than of maintaining a mere temporary residence or abode incident to enrollment in an institution of higher education.

(d) An individual shall not be classified as a resident for tuition purposes and, thus, not rendered eligible to receive the in-State tuition rate, until he or she has provided such evidence related to legal residence and its duration as may be required by officials of the institution of higher education from which the individual seeks the in-State tuition rate.

(e) When an individual presents evidence that the individual has living parent(s) or court-appointed guardian of the person, the legal residence of such parent(s) or guardian shall be prima facie evidence of the individual's legal residence, which may be reinforced or rebutted relative to the age and general circumstances of the individual by the other evidence of legal residence required of or presented by the individual; provided, that the legal residence of an individual whose parents are domiciled outside this State shall not be prima facie evidence of the individual's legal residence if the individual has lived in this State the five consecutive years prior to enrolling or reregistering at the institution of higher education at which resident status for tuition purposes is sought.

(f) In making domiciliary determinations related to the classification of persons as residents or nonresidents for tuition purposes, the domicile of a married person, irrespective of sex, shall be determined, as in the case of an unmarried person, by reference to all relevant evidence of domiciliary intent. For purposes of this section:

(1) No person shall be precluded solely by reason of marriage to a person domiciled outside North Carolina from establishing or maintaining legal residence in North Carolina and subsequently qualifying or continuing to qualify as a resident for tuition purposes;

(2) No persons shall be deemed solely by reason of marriage to a person domiciled in North Carolina to have established or maintained a legal residence in North Carolina and subsequently to have qualified or continued to qualify as a resident for tuition purposes;

(3) In determining the domicile of a married person, irrespective of sex, the fact of marriage and the place of domicile of his or her spouse shall be deemed relevant evidence to be considered in ascertaining domiciliary intent.

(g) Any nonresident person, irrespective of sex, who marries a legal resident of this State or marries one who later becomes a legal resident, may, upon becoming a legal resident of this State, accede to the benefit of the spouse's immediately precedent duration as a legal resident for purposes of satisfying the 12-month durational requirement of this section.

(h) No person shall lose his or her resident status for tuition purposes solely by reason of serving in the armed forces outside this State.

(i) A person who, having acquired bona fide legal residence in North Carolina, has been classified as a resident for tuition purposes but who, while enrolled in a State institution of higher education, loses North Carolina legal residence, shall continue to enjoy the in-State tuition rate for a statutory grace period. This grace period shall be measured from the date on which the culminating circumstances arose that caused loss of legal residence and shall continue for 12 months; provided, that a resident's marriage to a person domiciled outside of North Carolina shall not be deemed a culminating circumstance even when said resident's spouse continues to be domiciled outside of North Carolina; and provided, further, that if the 12-month period ends during a semester or academic term in which such a former resident is enrolled at a State institution of higher education, such grace period shall extend, in addition, to the end of that semester or academic term.

(j) Notwithstanding the prima facie evidence of legal residence of an individual derived pursuant to subsection (e), notwithstanding the presumptions of the legal residence of a minor established by common law, and notwithstanding the authority of a judicially determined custody award of a minor, for purposes of this section, the legal residence of a minor whose parents are divorced, separated, or otherwise living apart shall be deemed to be North Carolina for the time period relative to which either parent is entitled to claim and does in fact claim the minor as a dependent pursuant to the North Carolina individual income tax provisions of G.S. 105-149(a)(5). The provisions of this subsection shall pertain only to a minor who is claimed as a dependent by a North Carolina legal resident.

Any person who immediately prior to his or her eighteenth birthday would have been deemed under this subsection a North Carolina legal resident but who achieves majority before enrolling at an institution of higher education shall not lose the benefit of this subsection if that person:

(1) Upon achieving majority, acts, to the extent that the person's degree of actual emancipation permits, in a manner consistent with bona fide legal residence in North Carolina; and

(2) Begins enrollment at an institution of higher education not later than the fall academic term next following completion of education prerequisite to admission at such institution.

(k) Notwithstanding other provisions of this section, a minor who satisfies the following conditions immediately prior to commencement of an enrolled term at an institution of higher education, shall be accorded resident tuition status for that term:

(1) The minor has lived for five or more consecutive years continuing to such term in North Carolina in the home of an adult relative other than a parent, domiciled in this State; and

(2) The adult relative has functioned during those years as a de facto guardian of the minor and exercised day-to-day care, supervision, and control of the minor.

A person who immediately prior to his or her eighteenth birthday qualified for or was accorded resident status for tuition purposes pursuant to this subsection shall be deemed upon achieving majority to be a legal resident of North Carolina of at least 12 months' duration; provided, that the legal residence of such an adult person shall be deemed to continue in North Carolina only so long as the person does not abandon legal residence in this State.

(*l*) Any person who ceases to be enrolled at or graduates from an institution of higher education while classified as a resident for tuition purposes and subsequently abandons North Carolina domicile shall be permitted to reenroll at an institution of higher education as a resident for tuition purposes without necessity of meeting the 12-month durational requirement of this section if the person reestablishes North Carolina domicile within 12 months of abandonment of North Carolina domicile and continuously maintains the reestablished North Carolina domicile at least through the beginning of the academic term(s) for which in-State tuition status is sought. The benefit of this subsection shall be accorded not more than once to any one person. (1971, c. 845, ss. 7-9; 1973, cc. 710,

1364, 1377; 1975, c. 436; 1979, cc. 435, 836; 1981, cc. 471, 905; 1987, c. 564, s. 19.)

Editor's Note. — Session Laws 1985, c. 479, s. 78(e), provides:

"Any member of the armed services as defined in G.S. 116-143.3(a), abiding in this State incident to active military duty, who does not qualify as a resident for tuition purposes as defined under G.S. 116-143.1, is eligible for a Legislative Tuition Grant pursuant to this section if the member is enrolled as a full-time student in an on-campus program. The member's Legislative Tuition Grant may not exceed the cost of tuition less any tuition assistance paid by the member's employer."

Effect of Amendments. — The 1987 amendment, effective July 6, 1987, substituted "community colleges under the jurisdiction of the State Board of Community Colleges" for "community colleges and technical institutes under the jurisdiction of the North Carolina State Board of Education" in subdivision (a)(3).

Legal Periodicals. — For survey of 1972 case law on establishing residence for tuition purposes, see 51 N.C.L. Rev. 1012 (1973).

CASE NOTES

Regulation Held Invalid. — Regulation providing that a student classified as a nonresident for tuition purposes at the time of his original enrollment at a State institution of higher learning, in order to qualify for in-State tuition, must be domiciled in this State for at least six months preceding the date of reenrollment without being enrolled in an institution of higher education during the six-month period is invalid. Glusman v. Trustees of Univ. of N.C., 284 N.C. 225, 200 S.E.2d 9 (1973).

Student May Establish Domicile While Enrolled at University. — A student who was classified as a nonresident for tuition purposes at the time of his original enrollment could become, upon establishing his domicile in North Carolina for six months or more, entitled to in-State tuition status notwithstanding during this six months period he was enrolled in an institution of higher education in this State. Glusman v. Trustees of Univ. of N.C., 284 N.C. 225, 200 S.E.2d 9 (1973).

§ 116-143.3. Tuition of personnel in the armed services.

(a) For purposes of this section the term "armed services" shall mean the United States Air Force, Army, Coast Guard, Marine Corps, and Navy; the North Carolina National Guard; and any Reserve Component of the foregoing. The term "abode" shall mean the place where a person actually lives, whether temporarily or permanently; the term "abide" shall mean to live in a given place.

(b) Any member of the armed services qualifying for admission to an institution of higher education as defined in G.S. 116-143.1(a)(3) but not qualifying as a resident for tuition purposes under G.S. 116-143.1 shall be charged the out-of-State tuition rate; provided, that the out-of-State tuition shall be forgiven to the extent that the out-of-State tuition rate exceeds any amounts payable to the institution or the service member by the service member's employer by reason of enrollment pursuant to such admission while the member is abiding in this State incident to active military duty, plus the amount that represents the percentage of the out-of-State tuition rate paid to the institution or the service member by the service member's employer multiplied by the in-State tuition rate and then subtracted from the in-State tuition rate.

(c) Any dependent relative of a member of the armed services who is abiding in this State incident to active military duty, as

defined by the Board of Governors of The University of North Carolina and by the State Board of Community Colleges while sharing the abode of that member shall be eligible to be charged the in-State tuition rate, if the dependent relative qualifies for admission to an institution of higher education as defined in G.S. 116-143.1(a)(3). The dependent relatives shall comply with the requirements of the Selective Service System, if applicable, in order to be accorded this benefit. In the event the member of the armed services removes his abode from North Carolina during an academic year, the dependent relative shall continue to be eligible for the in-State tuition rate during the remainder of that academic year.

(d) The burden of proving entitlement to the benefit of this section shall lie with the applicant therefor.

(e) A person charged less than the out-of-State tuition rate solely by reason of this section shall not, during the period of receiving that benefit, qualify for or be the basis of conferring the benefits of G.S. 116-143.1(g), (h), (i), (j), (k), or (*l*). (1983 (Reg. Sess., 1984), c. 1034, s. 57; 1985, c. 39, s. 1; c. 479, s. 69; c. 757, s. 154; 1987, c. 564, § 7.)

Editor's Note. — Session Laws 1985, c. 479, s. 78(e), provides:

"Any member of the armed services as defined in G.S. 116-143.3(a), abiding in this State incident to active military duty, who does not qualify as a resident for tuition purposes as defined under G.S. 116-143.1, is eligible for a Legislative Tuition Grant pursuant to this section if the member is enrolled as a full-time student in an on-campus program. The member's Legislative Tuition Grant may not exceed the cost of tuition less any tuition assistance paid by the member's employer."

Effect of Amendments. — The 1987 amendment, effective July 6, 1987, substituted "State Board of Community Colleges" for "North Carolina Board of Community Colleges" in subsection (c).

§ 116-144. Higher tuition to be charged nonresidents.

The Board of Governors shall fix the tuition and required fees charged nonresidents of North Carolina who attend the institutions enumerated in G.S. 116-4 at rates higher than the rates charged residents of North Carolina and comparable to the rates charged nonresident students by comparable public institutions nationwide, except that a person who serves as a graduate teaching assistant or graduate research assistant or in a similar instructional or research assignment and is at the same time enrolled as a graduate student in the same institution may, in the discretion of the Board of Governors, be charged a lower rate fixed by the Board, provided the rate is not lower than the North Carolina resident rate. (1933, c. 320, s. 3; 1983, c. 761, s. 112.)

Legal Periodicals. — For survey of 1972 case law on establishing residence for tuition purposes, see 51 N.C.L. Rev. 1012 (1973).

CASE NOTES

The State's right to charge nonresidents higher tuition than residents is not challenged and has been repeatedly upheld as reasonably related to the State's legitimate interest in operating, maintaining and financing its educational institutions. Glusman v. Trustees of Univ. of N.C., 281 N.C. 629, 190 S.E.2d 213 (1972), vacated and remanded on other grounds, 412 U.S. 947, 93 S. Ct. 2999, 37 L. Ed. 2d 999, on remand, 284 N.C. 225, 200 S.E.2d 9 (1973). See note to § 116-143.1.

Quoted in Swann v. Charlotte-Mecklenburg Bd. of Educ., 318 F. Supp. 786 (W.D.N.C. 1970).

Cited in Barker v. Iowa Mut. Ins. Co., 241 N.C. 397, 85 S.E.2d 305 (1955).

ARTICLE 18A.

Contracts of Minors Borrowing for Higher Education; Scholarship Revocation.

§ 116-174.1. Minors authorized to borrow for higher education; interest; requirements of loans.

All minors in North Carolina of the age of 17 years and upwards shall have full power and authority to enter into written contracts of indebtedness, at a rate of interest not exceeding the contract rate authorized in Chapter 24 of the General Statutes, with persons and educational institutions or with firms and corporations licensed to do business in North Carolina and to execute notes evidencing such indebtedness. Such loans shall be:

(1) Unsecured by the conveyance of any property as security, whether real, personal or mixed;

(2) For the sole purpose of borrowing money to obtain post-secondary education at an accredited college, university, junior college, community college, business or trade school provided, however, that none of the proceeds of such loans shall be used to pay for any correspondence courses;

(3) The proceeds of any loan shall be disbursed either directly to the educational institution for the benefit of the borrower or jointly to the borrower and the educational institution. (1963, c. 780; 1969, c. 1073; 1987, c. 564, s. 36.)

Effect of Amendments. — The 1987 amendment, effective July 6, 1987, substituted "community college" for "community college, technical institute, industrial education center" in subdivision (2).

Legal Periodicals. — For article, "The Contracts of Minors Viewed from the Perspective of Fair Exchange," see 50 N.C.L. Rev. 517 (1972).

CASE NOTES

Quoted in Gastonia Personnel Corp. v. Rogers, 276 N.C. 279, 172 S.E.2d 19 (1970).

§ 116-174.2. Grounds for revocation of scholarships.

Any student regularly registered and enrolled as an undergraduate, graduate, or professional student in a state-supported college, university or community college who shall be convicted, enter a plea of guilty or nolo contendere upon an indictment or charge for engaging in a riot, inciting a riot, unlawful demonstration or assembly, seizing or occupying a building or facility, sitting down in buildings they have seized, or lying down in entrances to buildings or any facilities, or on the campus of any college, university, or community college, or any student, whether an undergraduate, graduate or professional student who shall forfeit an appearance bond on an indictment or charge of any of the above-named offenses, shall have revoked and withdrawn from his benefit all state-supported scholarships or any State funds granted to him for educational assistance. It shall be the duty of all persons or officials having charge of and authority over the granting of state-supported scholarships or any other form of financial assistance to immediately revoke and withdraw same in the event and upon the happening of any of the conditions or matters above enumerated; provided, however, that in subsequent academic terms any such student shall be eligible to be considered for and to be granted financial assistance from State funds. (1969, c. 1019.)

ERIC Clearinghouse for Junior Colleges OCT 07 1969